The Financial Post

The Canadian Newspaper for Businessmen and Investors

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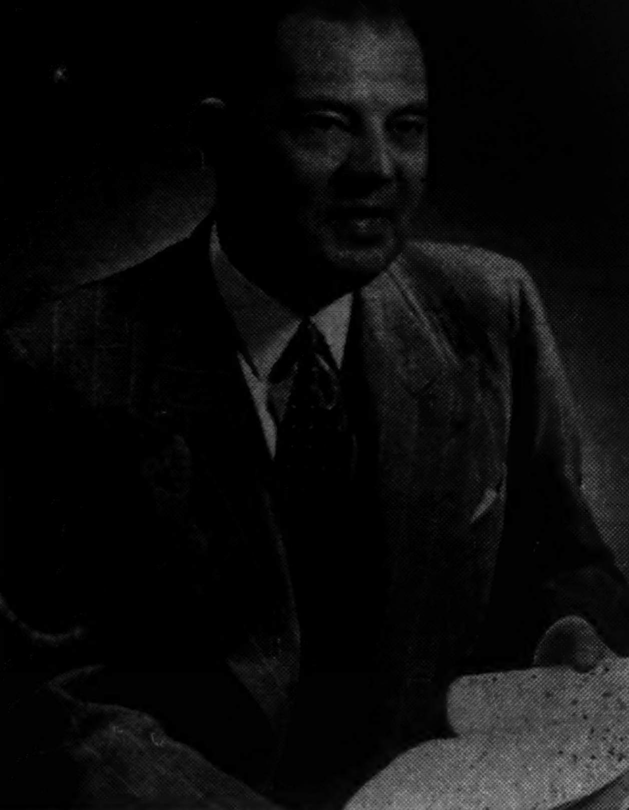
Leads Taxation Research



—*Photo by Nott & Merrill.*

W. G. H. (Gerald) Jephcott, an accountant who studied law in his spare time to graduate from Osgoode Hall, is new chairman of the Board of Governors of the 448-member Canadian Tax Foundation. The four-year old body, formed jointly by the Canadian Bar Association and Dominion Association of Chartered Accountants, conducts and promotes research in the field of taxation. Mr. Jephcott is a partner in P. S. Ross & Sons, Toronto chartered accountants, whom he joined on leaving school in 1916.

THE NATION'S BUSINESS

This Could Lead to National Suicide

A government-sponsored bill before the Quebec legislature not only would ban the manufacture of margarine in that province and make the possession of that product a criminal offense, but it would also prohibit imports from another province. Aside from the injustice of depriving Quebec consumers of a cheap and wholesome food product, this bill attempts to interfere with something that is of vital concern to every citizen of this country—domestic trade.

Under the British North America Act, freedom of trade between the various provinces is guaranteed. Anything that might interfere with the free movement of the products of one province into any other province is strictly prohibited. The Quebec margarine bill is clearly a violation of that fundamental right. As the Montreal Star aptly points out: "It ill becomes a province so solicitous of its constitutional rights to arbitrarily disregard its constitutional responsibilities."

If this Quebec bill is passed and put into effect a precedent will have been established that could bring ruin to the whole country. Practically all domestic trade would be threatened by provincial embargoes that would make the infamous Hawley-Smoot tariff look like a mere ripple on a sandy beach. If Mr. Duplessis is allowed to ban Ontario-made margarine from entering Quebec, what is to prevent him doing the same thing to Ontario-made automobiles, farm machinery or household equipment? What is to prevent him banning fish, potatoes or coal from the Maritime provinces, or wheat from the Prairies, or lumber from British Columbia? And if Quebec is foolish enough to start that sort of thing, how long would it be before the other provinces started to retaliate?

At a time when the most pressing need of the world, including Canada, is for wider trade, the Quebec Government is flirting with something that could quickly lead to national suicide.

• • •

Will We Miss This Opportunity?

"The shift in the world's economic centre of gravity to the North American continent holds out great opportunities to Canada if we can but grasp them," W. T. G. Hackett, economic adviser of the Bank of Montreal, stated in an address to the Fort William Chamber of Commerce this week. That is true, but as Mr. Hackett intimated, far too few of us are doing much about it.

Our industrial capacity both actual and potential, is far better appreciated by certain people in Europe than it is by many Canadians. And that holds true for our strategic position in this uneasy world, too.

There is an opportunity now for attracting new capital and new people on a really substantial scale to develop this country as it could be developed and make us less vulnerable "to outside influences." Canada's tremendous contribution in foods, supplies and other equipment toward European postwar recovery and our active sponsorship of North Atlantic defense have turned the eyes of the whole world in this direction.

We can grow and prosper as never before if we are bold and far-sighted. But as Mr. Hackett warns, there is little hope "if there should grow up in this country a philosophy that confuses the distribution of income with the creation of wealth, that regards the rewards of thrift and enterprise as anti-social or downright sinful and which, in its emphasis on security for the individual, thwarts and diminishes the productivity upon which individual well-being and social advance are ultimately dependent."

• • •

Where There Is No Profit

The Waltham Watch Co.'s Christmas circular "proudly presented" a new model, its 33 millionth watch.

Last month Waltham went into bankruptcy, and 2,300 men lost their jobs.

There are important lessons to be learned from the demise of this 99-year-old company.

Forbes Magazine pins responsibility for the crack-up on the previous management and declares the business has been running down for 25 years.

Labor leaders and too many others have long been critical of management, decrying its importance to a business, protesting "big salaries and privileges." But ask those 2,300 ex-Walthamites about that now.

For workers, stockholders, consumers and the public at large, the value of able management is immeasurable and its price is inconsequential.

Reflecting that fundamental weakness at Waltham is the fact that it did not apparently keep pace in modernization. To quote Forbes: "Waltham failed to provide funds to keep its machinery up-to-date. After the war, when other American watchmakers had the benefit of the best tools and production equipment, they were able to run circles around Waltham costs. The latter tried to make decades-old tools compete with new. They hadn't provided adequately for depreciation and replacement. Imagine if Ford were still using the same equipment to turn out its cars that they had 20 or 30 years ago."

Not only for management, but for all the critics of business, and the planners of taxes, the need for constant renewal of a business—the planning, the saving and the spending of today—to make possible survival and if possible a profit tomorrow is fundamental.

Labor unions need to have graven in stone the truth: "Where there is no profit, there can be no jobs."

Housing Total Up In Spending in '49

New Homes' Construction Estimated at $741 Millions — $3.3 Billion Capital Investment Program Includes $1.9 Billion by Business.

By KENNETH R. WILSON

OTTAWA (Staff) — Value of new capital investment in Canada in 1949, is estimated by the Government at $3.3 billion.

This is an 8% increase over the $3 billion figure of 1948.

But since prices are estimated to be 7% higher, the actual volume of new capital investment is about equal to that of last year.

On a volume basis and after eliminating estimated price changes, the new figures show a rise of about 6% in construction, but a fall of 6% in expenditure on machinery and equipment.

Expenditures on repair and maintenance are put at $1,470 millions against $1,407 millions in 1948. These figures are over and above new capital expenditure.

They give a total for all capital, repair and maintenance for 1949 of $4,750 millions against $4,452 millions in 1948.

The figures are obtained in the main from a survey of the intentions of some 15,000 establishments, institutions, governments, etc. They are published by the Economic Research and Development branch of the Department of Trade and Commerce under direction of Alex Skelton, assistant deputy minister.

How will this money be spent?

Here is the breakdown of capital expenditure as between the broad groups of "business" and other spending:

NEW CAPITAL EXPENDITURE, MAIN GROUPS, 1949
(Millions of Dollars)

	Const.	Mach. & Equip.	Total 1949	Total 1948
Business	696	1,208	1,904	1,860
Institutions	178	22	200	128
Housing	741	....	741	682
Direct Govt. ...	371	64	435	375
Total	1,986	1,294	3,280	3,045

Out of the total of $1.9 billion which business firms estimate they will spend in 1949, the largest share ($607 millions) will be spent by utilities. Manufacturing accounts for $522 millions and primary industry (including the

(Continued on page 3, col. 4)

Ottawa to Give Provinces Power Over Coarse Grains?

OTTAWA (Staff)—Creation at this session of Parliament of new "permissive" or enabling federal marketing legislation for farm products is said here to be the likely outcome of the explosive coarse grains issue.

This would be a complete reversal of the stand taken by the Government last year and toss the issue back into the lap of the provinces.

It would mean a new Federal Marketing Act which would give enabling authority to the provinces to make their own plans for marketing and pricing of coarse grains.

Until a few days ago, it had been expected that the Government would pass the coarse grains marketing problem over to the Canadian Wheat Board. This would have been in the form of a so-called "producers" board geared to market coarse grains in the interests of the producers. This was the plan proposed to the Government by the Canadian Federation of Agriculture.

But very recently the plan is reported to have run head on into opposition from the advisory committee of the Canadian Wheat Board. This committee, composed of various representative groups, is said to have tossed out the government plan as unworkable and improper.

It argued that since there are farmers in Canada who are producers, and farmers who are consumers of coarse grains, it wouldn't be proper or possible to have a government agency fixing prices and marketing the grains in the interest of only one of these groups.

Constitutional Issues

Out of the impasse, it is thought that Agricultural Minister Gardiner will now recommend passage at this session of a new Federal Marketing Act. Such an act has also been urged on the Government by the Federation. To date, it has been avoided as too highly controversial—involving as it does the raising of constitutional issues.

It will be recalled that the Federal marketing legislation of the 1930's put on the statutes by the Bennett government was thrown out as ultra vires by the federal government.

What will probably be proposed is "permissive" legislation, under which provincial legislatures will be "enabled" to organize provincial producer boards to deal with products which enter into interprovincial and export trade.

This would be a major step in Canadian agricultural policy—a step which the Government has so far avoided taking, especially prior to the election. It would now appear that the coarse grains crisis has forced its hand.

Government Reversal

This revolt of the wheat committee—a committee which represents the pools, the exporters, line elevators, millers, etc.—and the new proposal to introduce a new version of the prewar ill-fated Natural Products Marketing Act, represents a complete about face on the part of the Government as compared with 1948.

In 1948, the Government passed its contentious legislation putting coarse grains under federal control if enabling legislation could be obtained from each of the provinces concerned. This has not been obtained and the whole issue has bogged down.

More recently the Canadian Federation of Agriculture proposed a so-called Producers Board under the aegis of the Wheat Board. This is the plan which has been vetoed by the advisory committee and which has led to the new proposal.

PRICES

Beef prices on Toronto livestock markets advanced 50c to $1 per cwt. for second week in succession. Livestock brokers said increase was due to farmers holding back stocks while waiting to see what happened in U. S. markets. Increase also reflected rise in prices last week on Buffalo and Chicago marts.

U. S. commodity price indices, following a steady decline over the past seven to eight weeks, held steady during the past week. Bureau of Labor index of average primary market prices was again unchanged at 158.5 (1946-100). Lower prices for hides and skins, fuels and some textile products offset gains in grain, livestock and meat.

Auto price reduction news from General Motors, small though it was, doesn't apply in Canada. The cut, ranging from $10-$40, was brought about by a 2c an hour wage cut to G.M.'s 245,000 employees.

At the same time, Chrysler in the U. S. announced prices on its new lines were about 6.6% higher than last year. The increase in Canadian prices was expected to be about the same. Average G.M. price boosts on 1949 models is between 7%-8%.

Hydro customers in Ontario this week noted intimation that the Hydro-Electric Power Commission might have to charge municipalities more for power. Speaking to the Association of Municipal Electrical Utilities, Chairman R. H. Saunders pointed to the decrease in the cost of power over the past 10 years; then to the higher costs of generation and distribution of power and then stated: "Hydro officials are now engaged in a detailed study of the picture as to the future costs to determine whether or not revision should be made. We are confident that within the next few weeks we shall be able to advise the municipal organizations on this matter."

$ Revaluation Adds Hazard Ottawa View

OTTAWA (Staff) — Revaluation of the Canadian dollar in line with the present New York quotation for capital transactions is looked on by experts here as quite unrealistic.

As stated quite positively by George Drew last week, the plan proposed by the Conservative leader would be to revalue the Canadian dollar to the quote on the unofficial market in New York.

But the real facts of the case as given by those close to the situation here are stated thus:

1. The New York market is limited almost entirely to capital transactions. It represents a very tiny fraction of Canada's total exchange transactions. It by no means represents the "actual international exchange value" of the Canadian dollar; is merely a trading place for U. S. holders of Canadian securities who wish to dispose of them outside official regulations.

2. Any attempt to put the Canadian dollar at or about the present New York market (93 cents) would almost certainly find that market slide further down to about the same relative position as it is today — in other words to about the same discount as at present.

In short, the capital market would almost certainly discount the "par" value of the dollar (just as it does today) and irrespective of whether "parity" was 90 cents, 95 cents or 100 cents in relation to the U. S. dollar.

Another point made here is that the cure which Mr. Drew seeks, namely to re-establish Canada's pre-war trading position by changing the value of the Canadian dollar or letting it drift.

(Continued on page 3, col. 3)

Our U.S. Dollars at Stake In British Wheat Contract

(See also page 20)

OTTAWA (Staff) — The conviction is growing that there will be no more ECA funds for Canadian wheat.

Whether or not the U. S. Government officially declares wheat as a "surplus" commodity, the net result will be the same: no more ECA dollars for Canadian wheat or flour.

This means that somewhere, somehow, Canada will have to find an additional $300 million of U. S. funds in 1949-50, or see her exchange position worsen by that amount.

In the first 10 months of ECA (between April 4, 1948 and Jan. 31, 1949) the United States supported Canadian wheat and wheat flour purchases to the extent of $304 million. This looked after most of our 1948 crop. The problem that now looms, is how to get paid for our 1949 wheat crop, and more especially the position of the 140 million bushel U. K. wheat contract when the '49 crop goes on the market late this year and next year.

Assuming that there will be no more ECA dollars for Canadian wheat or flour—what will happen to the U. K. contract?

The government takes for granted that the British will honor that contract and buy 140 million bushels of wheat and flour in Canada at the agreed price of $2 a bushel.

That supposes that even though the United States refuses to pay out money for Canadian wheat and flour, it will not force the United Kingdom to accept U. S. wheat and flour "for free."

Effect on World Market

If the United States were to insist on Britain getting her 1949-50 wheat and flour from the United States, this would be a very critical situation.

We might find the world market for our wheat drying up before our eyes, merely because U. S. politics were forcing ECA to

(Continued on page 3, col. 1)

Unions' Dilemma In Wages Drive

Employment Still High But Signs Indicate That "Seller's Market" in Jobs Near End — Absenteeism and Turnover Continue to Decline

By RONALD WILLIAMS

Employment as high as last year is Ottawa's official estimate for 1949. But there were definite signs on the Canadian business front this week that the 15-year drive for higher wages is easing.

Employment was still high. In December it had never been higher. Average weekly earnings were higher than ever before ($42.50 at Dec. 1). Production was still booming. There were only isolated pockets of real unemployment.

Yet there was everywhere the feeling that the peak had been reached. As one unionist put it when he heard another union had got a raise of 15c an hour: "They got it just in time. The honeymoon is over."

There was nothing definite to go on but the word was that jobs were harder to get; that the seller's market in jobs, as in a lot of other things, was just about over.

Many labor leaders, particularly those supporting the CCF found themselves in a dilemma. If they used "unemployment" for political purposes, they would be weakening their hand at the bargaining table. With the boom tapering off, raises would be harder to get.

The U. S. Picture

In the U. S., unemployment was rising, it hit a peak of three million in January.

General Motors workers had won their demand that wages be tied to the cost of living index. When the U. S. cost of living index dropped last week G.M. wages automatically came down 2 cents an hour for the first time in 15 years and G.M. announced car price cuts.

The U. S. textile industry bluntly rejected demands for wage increases. Amalgamated Clothing Workers (CIO) decided against seeking pay raises this year. Giant General Electric refused to consider new wage demands.

Things haven't reached this stage in Canada. On the contrary, the National Association of Purchasing Agents this week reported production is up slightly here. Backlogs were still substantial. Prices were holding firm. Inventories were lower and employment off slightly but nothing like the U. S.

Ottawa's Department of Labor reported average employment in 1948 was 4.8 millions, about 100,000 above 1947 and 2.2 millions above 1939. Employment had slipped a little by January, when 200,000 claims for unemployment insurance were filed. This was 51% more than a year ago. However, this was only a seasonal drop, claimed the Labor Department, predicting another bumper year.

Turnover, Absenteeism Down

But uneasiness in Canada had already manifested itself in two important ways, said the Labor Department. Labor turnover and absenteeism was away down in 1948 and showed definite signs of decreasing more in 1949. At the same time, productivity was rising.

Some Canadian union leaders had already seen the handwriting on the wall, notably the powerful United Mine Workers. In Nova Scotia, it backed away down on demands for a daily pay hike of $2.56, gladly accepted 50c. Two years before they had struck to get $1.50 a day. In Western Canada, there seemed to be even less steam behind the miners' fourth round wage demand. They dropped altogether their demand for a flat $14.05-a-day-rate, and settled for an increase of 10c a ton in employers'

(Continued on page 3, col. 1)

Inside News

Any Future in Farm Life?

Should we fear results, social or otherwise, of reputed decline of family-operated farm? Experts answering this Post question differ in what's happening to farm life but they're unanimous in its importance to Canada's future (p. 10).

Our Trade Worries

Nearly 75% of our trade is in two baskets — United Kingdom and United States. Where can we sell more? And in what lines? The Post's Ottawa editor analyzes the 1948 pattern (p. 15).

Do You Play Hunches?

Impulse and reason often collide in investment decisions. When they do, impulse usually wins out. Some universities and institutions have adopted "formula plans" with profit (p. 15).

Headaches From London

Movie industry is having headaches; so are retailers over purchase tax; so are Tories over by-elections; so are furriers, cough medicine and whisky makers because sun is so bright, reports Adelphi in London Calling (p. 28).

Euclid, English, Empathy

These are among important requirements for successful legal career, W. H. Howard, CBE, K.C., noted Montreal lawyer, shows young Canadians, and their parents, what prospects are in law in this second article in the Post's new "Careers for Canadians" (p. 16).

Advertising Business 2
Banking News 22
Insurance News 23
Labor Roundup 11
Mine Development 26-27
Provincial Roundup 12
What's New 14
You Asked Us 17

Furniture Industry Still Booms

Order Backlogs Will Keep Factories Busy

By W. L. DACK

Those widely advertised furniture sales don't represent a depressed industry or probability of early across-the-board price cuts.

Far from it. The Canadian furniture industry is still coasting along its greatest boom road in history. Early indications are that 1949 manufacturer's sales will be close to last year's record $88 million. Back in 1938 they were $20.5 million.

Though the going has been a good deal tougher for the manufacturers and retailers in poorer quality, cheaper-price lines, and first postwar casualties are showing up, public demand for all medium-to-better-grade goods is still holding close to record levels.

Average backlog of orders in the hands of furniture manufacturers in these grades represent around six months capacity business. One large Kitchener firm has orders on its books sufficient to assure capacity operations until late next fall. Spot survey of several largest retailers in Toronto reveal sales up slightly from last year.

Customers are Choosy

Up until a year ago retailers could sell almost anything in the furniture field. Now, with increasing availability and range of goods, consumers are more choosy. Some of the small manufacturers who flocked into the picture during the war, or after, are already feeling the pinch. The furniture industry has always been particularly vulnerable to over-expansion in boom periods since a small operator can commence production on a shoestring in his basement or loft. Cut-price sales and time-payments are distress sales incentives for these operators.

At the moment, biggest public buying interest appears in the medium-priced, modern style furniture lines in both hardwood and upholstered lines, with the accent on functional and sectional types. Demand for upholstered furniture is reported running even ahead of last year's record. Retailers say this partly reflects deferred buying by many new home-owners who first filled essential bed-room and kitchen furniture requirements. Some of it represents replacement of worn-out inferior wartime goods.

Functional—in light finish

Functional furniture is in ever-increasing demand as homeowners come to appreciate the flexibility of these types in the modern house. For instance, a buffet base can serve equally as well as a dresser base.

In tone the accent is still on the lighter finishes. Demand for high-quality period furniture, however, is still high with Chippendale, Sheraton and Adam lines most popular.

On the whole the industry, from manufacturing to retailing end, is in the strongest financial position in history. Many of the long-established firms have plowed back considerable earnings into manufacturing plants in the form of new, more efficient equipment. They look to these cost-saving factors to stand them in good stead when the going gets tougher.

There are still shortages of skilled workmen in the better class factories. Some raw materials, particularly veneers, are far below requirements. Currently trade representations are being made to Ottawa with the hope of increasing the industry's U. S. dollar allocations for import of certain essential U. S. raw materials, such as oak, walnut and aromatic red cedar lumber and face veneers and some types of upholstery fabrics. Effective quota for first half 1949 is at rate of 77% of basic year's import in case of lumber and veneers and 40% for upholstery fabrics.

Vest Pocket Building Code To Aid Small Communities

By CLIVE CHATTOE

OTTAWA (Staff) — This week's historic first meeting of municipal building officials, sponsored by Robert Legget's joint business and government committee on the National Building Code, put off examination of "the technical book." The conference will be an annual affair, it was decided, and new materials and methods will come next.

Need to modernize existing local codes was admitted. But first, the consensus said, there's the big gap of hundreds of communities with no codes at all. (There are about 1,490 urban municipalities under 5,000 population, and about 80% of them, lacking construction bylaws, must govern housing and commercial building by rule of thumb.)

These "fringe" communities are to get new help in regulating building for fire safety, investment security and occupant amenity, the conference decreed, indicating that Canada almost abruptly may multiply its municipal building codes from about 80 to perhaps 800.

To help codeless centres from Canso to Chilliwack — where perplexity about building has been greatest, if least noticed — first attention will be given by the building code associate committee to preparation of a "vest pocket" guide to acceptable performance standards, a simple, "condensed" code for circulation in the next few months across Canada.

This will be followed by revised versions of: (a) the already condensed code for medium-size communities; and (b) an extended and re-indexed master code (the National Building Code) in loose-leaf form.

Other recommendations from the municipal building officials to Legget's business-industry committee:

1. A monthly or quarterly information bulletin on progress in local building code standardization and modernization;

2. A meeting next fall of the nine provincial representatives on the Legget committee looking toward (a) uniformity of provincial legislation bearing on building and (b) early and continuing meetings of municipal building officials at provincial capitals.

Pace of Business

Failures in Canada in week ending Feb. 17 were 12, twice that of same week last year. Ratio has been same for past three weeks.

Dept. store sales week ending Feb. 19, compared to same week 1948: up 13% (Marit., 9; Que. 0; Ont. 12; Man. 20; Sask. 29; Alta. 30; B.C.—).

Flour output fell sharply in January to 1.47 million bbl. from 1.9 millions in January 1948. Total for first half of crop year was 10.9 millions, down 2.2 millions.

Carloadings down to 70,358 in week ending Feb. 19 from 71,945 previous week; up from 68,817 year ago. Total for first seven weeks of 1949 down 4,000 cars from 1948.

Leather footwear production in December was 2.8 million prs., down 224,961 from month before, up 235,723 from December, 1947. Production in 1948 off 9% from 1947; downward trend shown in first nine mos. was reversed in last quarter.

Dom. Govt. deposits increased $27.8 millions to $180.9 millions in week ending Feb. 23. Chartered banks decreased $24.5 millions to $513.4 millions. Notes in circulation declined $1.7 millions to $1.2 billions.

Steel ingots production in January 276,987 net tons, average of 8,935 a day (271,128—8,746 month before; 247,768—7,992 year ago).

Field crops gross production value for 1948 (revised DBS estimate): $1.6 billions, highest on record (41 years). Leaders (in millions): wheat, $551; oats, $254; hay & clover, $248; barley, $146.

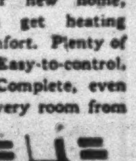
Exports to U. S. ($1,171 millions) were down $32 millions in January from December; up $11.6 millions from January, 1948. Cattle export was biggest factor in drop, from $14 millions in October and November to $2 millions in January. Cattle exports to U. S. week ending Feb. 19 were only 602 head, mainly from Ontario and Manitoba.

Copper and nickel production in December, compared with previous month and Dec., 1947: new primary copper in all forms, 20,936 tons (20,335; 18,962); nickel in all forms 13,028 (12,961; 11,473).

Silver, lead and zinc production in December, compared with previous month and Dec., 1947: 1,090,263 fine oz. (1,117,512; 1,000,115); 13, 577 tons (15,746, 11,123); 13,896 (21,190; 18,872).

Sea fishing in January on Atlantic coast was up 11.3% over year ago to 17.5 million lb. (cod & haddock particularly high; smelt down), but value declined from $1.34 millions to $1.19 millions. Pacific coast landings down from 110,257 lb. ($2.5 millions) to 37,073 ($1.5 millions); herring catch down 20% because of cold weather.

ARCHITECT
ENGINEER
BUILDER
HEATING CONTRACTOR
OWNER
TRANE



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You'll enjoy this advanced heating, proved by more than 20 years' successful operation. Specify Trane Convector-radiators—*the sign of good heating!*

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ADVERTISING

Account Appointments, Plans And News of Personnel in the Canadian Advertising World

McKim Advertising (Montreal) announces opening of 1949 campaign for L. E. Waterman Co. pens with March insertions in national magazines, weekend rotagravure and wide list of dailies. Bold art treatment features ads. New ball pointer will also be featured with large space in dailies. Point-of-sale material and trade magazines will support campaign.

* * *

Ronalds Advertising (Toronto) directs advertising in limited number of business papers for new disc Edison Voicewriter; stress Ear-Tuned Jewel Action.

* * *

Harold F. Stanfield (Toronto) releases campaign for Irish Linen Guild, Belfast, on theme to sell Irish linen as practical luxury for everyday use. Will use national general circulation magazine, class publications, women's magazines and two publications directed to brides-to-be. Two-color broadside outlining consumer campaign will be mailed to 15,000 dry goods retailers.

* * *

Cockfield, Brown & Co. appoints Murray Turner vice-president in charge of Winnipeg operations; Peter M. Downes vice-president in charge of Vancouver operations.

* * *

J. J. Gibbons (Toronto) appointed to handle advertising and sales promotion for Vi-Tone Products Ltd. New two and three-column ads feature strong presentation of company name. Will use newspapers in metropolitan centres, weekend papers, trade, medical and hospital papers, Miss Canada promotion, mailings, radio and store displays. Typical ads for Fudge Mix features Chatelaine Institute Seal and stress easy four-minute preparation.

* * *

Walsh Advertising (Toronto) appointed to direct advertising for Mortemp Co. of Canada Ltd., manufacturers of new chimney furnace suited for modern "basementless" homes. Two-page color insertion in April issue of national magazine will open campaign; further plans now being discussed.

* * *

James Fisher (Toronto) announces 1949 campaign for Leland Electric Canada Ltd. released with full page two-color ads in trade papers and business magazines.

* * *

O'Brien Advertising (Vancouver) appointed by Lemon Hart & Son, London, Eng., to create and place*(in B. C. daily and weekly papers) advertising for Lemon Hart Rum and Lamb's Navy Rum, now available in increasing quantities in Britain's drive for exports.

* * *

James Fisher (Toronto) reports 1949 plans for H.P. Sauce Ltd. combine dailies and national magazines. Copy in new series shows product in use.

* * *

F. H. Hayhurst (Montreal) places advertising for Mi-Co (parking) Meter in selected list of municipal and police publications.

GENERAL TRUST OF CANADA

84 Notre-Dame Street West—MONTREAL

Statement as at 31st December, 1948

ASSETS	
Capital Account:	
Total assets of the Company	$ 1,540,637.23
Guaranteed Accounts	3,752,666.17
Estate, Trust and Agency Accounts	78,353,261.86
Safe Custody Account	42,077,361.15
	$125,723,926.41

LIABILITIES	
Capital Account:	
Accounts payable	$ 82,341.11
Reserves	38,375.40
General Reserve	200,000.00
Profit and Loss Account	114,920.72
Capital Stock	1,105,000.00
Total	1,540,637.23
Guaranteed Accounts	3,752,666.17
Estate, Trust and Agency Accounts	78,353,261.86
Safe Custody Account	42,077,361.15
	$125,723,926.41

PROFIT AND LOSS ACCOUNT	
BALANCE, 1st January, 1948	$ 92,972.99
PLUS: Net Profit for the year	76,947.73
	169,920.72
LESS: Dividends	55,000.00
BALANCE, 31st December, 1948	$114,920.72

FRANK E. UDELL

has been appointed Toronto branch manager of Barclays Bank (Canada).

Set Oil Industry Capital Needs At $250 Millions

To expand Canada's oil production from 40,000 bbl. to 400,000 bbl. a day will require $1 billion investment, Joseph E. Pogue, vice-president of Chase National Bank, N.Y., told Toronto meeting of Investment Dealers of Canada. Estimate was based on U. S. daily production of barrel of crude oil, or natural gas liquids, at investment cost of $3,500.

Group of 11 Canadian oil companies generated 48% of its required $88 millions capital in 1947 from internal operations, borrowed 37%, obtained 13% from preferred stock, raised 2% by sale of common stock.

"If we assume Canadian oil development over the next 10 years will require $1 billion capital funds and that 50% of this will be generated internally, $500 millions is indicated to be raised in capital markets," Mr. Pogue said. If these funds are sought in equal parts in Canada and U. S., Canadian capital markets will be called on to furnish $250 millions.

It requires no great stretch of imagination to picture Canada's oil potential as 5 to 10 billion bbl. or even more, Mr. Pogue said. It seems probable that if 2-3 billion bbl. of oil are discovered in the next 10 years, 5-10 trillion cu. ft. of natural gas will be uncovered too. It also seems possible time is approaching when reserves will support trunk gas lines to carry Canadian natural gas to more distant markets, it is said.

Obituaries

Bernard Allen, 64, Toronto, former senior partner Maurice J. Walsh Ltd., diamond importers.

William Oscar Archdekin, Toronto, former staff superintendent, Dominion Bank.

John Ernest Fawkes, 72, Toronto, Canadian sales manager Fitzjohn Coach Co.

William Kasper Fraser, K.C., Toronto, authority on company law.

J. C. G. Herwig, 59, Ottawa, general secretary, Dominion command, Canadian Legion.

David McIntosh Kidd, 69, Calgary, consulting geologist.

R. Cecil Kilgour, 61, Toronto, former president Ontario Motor Car Co.

Jeffery Harris Pavey, 72, Edmonton, president Pavey's Candies Ltd.

F. Clark Thompson, 57, Winnipeg, vice-president and director A. E. McKenzie Co., seeds.

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

American Can Co. (Hamilton) — W. R. Tutton, research representative, Vancouver.

Ayerst, McKenna & Harrison Ltd.—Robert E. Hodgkin (New York), sales vice-president for United States and Canada.

Baumgold Bros. of Canada Ltd.—James O. Baird (Montreal), eastern sales manager.

B. C. Natural Resources Conference (Victoria)—Dr. Harry V. Warren (Vancouver), president.

L. G. Beaubien Co. (Montreal)—J. A. Senecal, a director.

Bell, Gouinlock & Co. (Toronto)—I. H. Campbell, C. D. McCreary, directors.

Brooks Oil Co. (Pittsburgh) — William W. Pett (Hamilton, Ont.), sales adviser; Charles M. Rice, lubricating engineer; William B. Dembner (Toronto), sales representative.

Canada Life Assurance Co. (Toronto)—Rodney Pike (Edmonton) manager for northern Alberta; Graeme Smith (Calgary) assistant to South Alberta branch manager; A. Howard Moffat, Toronto West branch manager.

Canadian Breweries Ltd. (Toronto)—Charles W. Buddo, assistant to director of sales.

Canadian Circulations Audit Board (Toronto)—John O. Pitt (Montreal), vice-president.

Canadian Industries Ltd. (Montreal)—Hugh H. Lawson (Toronto), a director.

Canadian General Electric Co. (Toronto)—J. D. Duncan, manager, induction motor section; J. B. Minns, industrial division (special assignments); Victor E. North, apparatus division; E. B. MacRobie, manager, industrial heating section.

Canadian Judiciary—Robert Forsyth, senior county court judge, York county.

Canadian National Railways (Montreal)—J. A. O. Boivin, superintendent Montreal terminals and St. Jerome division.

Canadian Pacific Express Co. (Toronto)—J. A. Walford, general superintendent, Eastern lines, Toronto; H. L. Atto, general superintendent, Western lines, Winnipeg; K. Copeman, superintendent, Atlantic division, Montreal; J. B. Barrett, assistant superintendent, Atlantic division, Montreal; W. E. Greene, general agents, Ottawa.

Canadian Pacific Air Lines (Winnipeg)—Vaughan H. Perry, assistant to manager for operations.

Canadian Restaurant Association—F. G. Montgomery (Toronto), managing director.

Canadian Westinghouse Co. (Hamilton)—John C. D. Campbell, assistant manager appliance sales division; J. W. Kerr, manager, central station and transportation sales division.

Consolidated Press (Toronto)—S. R. Skelton, general manager, Saturday Night Press.

Credit Foncier Franco-Canadien (Montreal) — Bernard Lechartier, inspector general; Arthur Surveyer, a director.

Dack's Ltd. (Toronto) — A. H. Marston, president; Fred E. Belsham, Ronald F. Wilson, K.C., directors.

Dominion Govt. (Ottawa)—Dr. G. S. H. Barton, special assistant to Minister of Agriculture; James G. Taggart, Deputy Minister of Agriculture; John C. Murray, chairman, Canadian Farm Loan Board.

Dominion Government (Ottawa)—Thomas A. Stone, Minister to Sweden (External Affairs).

E. B. Eddy Co. (Ottawa)—A. Welch, general manager.

Engineering Institute of Canada (Saskatchewan Branch) — Prof. A. H. Douglas (Saskatoon), president.

General Trust of Canada (Montreal)—J. A. Trudel (Three Rivers), a director.

Halifax Home Builders' Association—Merrill Wagner, president.

Imperial Oil Ltd. (Toronto)—B. C. Kitchen, purchasing agent; A. E Rubery, assistant purchasing agent.

Imperial Varnish & Color Co. (Toronto)—Edward G. Sparks, industrial sales manager.

Industrial Acceptance Corp (Toronto)—G. Clerk, branch manager, Cornwall, Ont.

Russell T. Kelley Ltd. (Hamilton)—J. E. Brittain, a director; John B. Carson, creative director Hamilton office.

Lapa Cadillac Gold Mines Ltd. (Toronto)—K. M. Smith, a director.

Laurentide Equipment Co. (Montreal)—J. M. Coté, general sales manager.

Le Devoir (Montreal) — Marcel Payette, advertising manager.

Manitoba Government (Winnipeg)—Fred J. Weir, provincial horticulturist.

McGill University (Montreal)—E. Godfrey Burr, professor of electrical engineering; Dr. James E. Gill, professor of geology.

Montreal University Settlement—Col. Irving P. Rexford, president.

Mutual Life of Canada—Allen F. Brady, to Brockville, Ont.; C. U. Luckhart, to Windsor, Ont., branch managers.

National Battery Co.'s Gould Storage Battery (Kingston, Ont.)—Norman J. McCartney (Toronto), Canadian sales manager.

National Film Board (Ottawa)—James A. Cunningham (New Glasgow, N.S.), a member.

New Brunswick Govt. (Fredericton)—F. Eldon MacDiarmid, director of educational services & chief superintendent of education.

New Brunswick Telephone Co. (Saint John) — Alden R. Clark (Fredericton), a director.

Northern Assurance Group (Montreal)—John Reid, assistant manager for Canada.

Northern Trusts Co. (Winnipeg)—J. Herbert Riley, president & general manager; Harold R. Parker, manager Winnipeg office.

Ottawa Valley Trust Co. (Ottawa)—Senator Norman M. Paterson and H. R. T. Gill, directors.

Peller Brewing Co. (Hamilton, Ont.)—G. Moes, W. J. McCulloch, W. H. Hopper, directors.

Phoenix Connecticut Insurance Group (Montreal)—W. D. Holden (Edmonton), resident inspector Al-
Imperial Oil Ltd. (Toronto) — B.

Philip Carey Co. (Montreal) — Robert G. Rogers, sales manager.

Photographic Survey Corp. (Toronto)—Maj.-Gen. Howard Kennedy (Ottawa), Godfrey S. Pettit (Toronto), directors.

Quebec Industrial Commissioners' Association — P. Horace Boivin (mayor, Granby), president; Lester McGillis (Montreal), J. T. Valiquet (Three Rivers), vice-presidents.

Rapid Grip & Batten Ltd. (Toronto)—S. R. Johnson, art director.

Reader's Digest Association (Canada) Ltd. (Montreal)—Carl M. Dettman, eastern advertising manager, Montreal; Andrew J. Conduit (Toronto), western advertising manager.

E. W. Reynolds & Co. (Toronto)—Gerard S. Huston, accounts executive.

Royal Canadian Academy—A. J. Casson (Toronto), president.

Royal Canadian Air Force (Ottawa)—Wing Cmdr. J. H. L. Lecomte (Actonvale, Que.), officer commanding Camp Borden, Ont.

Springer Sturgeon Gold Mines (Toronto)—V. C. Moynes, a director.

Stoker Institute of Canada (Toronto)—David H Butler (Toronto), president; A. W. Bryant (Windsor), E. Shaw (Toronto), vice-presidents.

Transvision-Television (Canada) (formerly Cub Aircraft Corp.)—F. J. Seidel, president and managing director; Norman Vincent, board chairman; H. P. Wilson, vice-president and general sales manager; D. G. Wiggins, assistant to president and secretary-treasurer.

United Nations Association in Canada—J. A. Edmison, part-time national organizer.

University of Manitoba (Winnipeg)—Gordon Wilkinson, to board of governors, representing labor.

University of Toronto—Kenneth F. Tupper, dean of applied science and engineering; R. K. Hicks, Trinity College dean of arts.

Vancouver News Herald—Ian G. MacFarlane, advertising manager.

Barclays Bank (Canada) announces the retirement of J. Morgan, Toronto branch manager.

Canadian Pacific Express Co., Toronto, announces the retirement of E. D. Riley, general superintendent, Eastern lines, Toronto.

Dominion Government Dept. of National Revenue, Ottawa, announces the retirement of Hugh D. Paterson, director general of income tax for Toronto.

Imperial Oil Ltd., Toronto, announces the retirement of L. E. Bury, purchasing agent.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CALDWELL LINEN MILLS, LTD. Iroquois, Ont. net profit of $234,857 for 1948 was up 26.3% from previous year.

The expansion program started four years ago was completed; a total of $42,504 was spent on additional machinery and equipment.

The increase in inventories is represented largely by raw materials on hand, stocks of finished goods being lower than last year.

Outlook continues favorable for the coming year, President H. H. Caldwell states.

INCOME ACCOUNT

Years Ended Dec. 31:	1948	1947
Net earnings	$440,569	$387,049
Less: Deprec.	52,712	55,520
Taxes	153,000	145,632
Net profit	234,857	185,897
Less: Pref. divds.	42,500	42,500
Common divds.	32,000	32,000
Surplus for year	160,357	111,397
Earnings per Share and Dividend Record:		
1st Preference	$15.66	$12.39
Paid	1.50	1.50
2nd Preference	8.49	6.54
Paid	0.80	0.80
Common	4.81	3.58
Paid	0.80	0.80
After participation:		
2nd pref. & com.	3.27	2.51

CONDENSED BALANCE SHEET

As at Dec. 31:	1948	1947
Cash & invest.	$301,107	$132,790
Accts. rec.	178,792	198,336
Inventories	455,510	406,619
Total curr. assets	935,409	737,745
Prepd. chgs.	13,735	796
Refund. EPT	17,773	34,227
Fixed assets§	441,328	450,299
Total assets	1,398,245	1,223,067
Due bank	13,646	42,948
Accts., tax., etc., pay.	139,984	105,576
Total curr. liab.	153,630	148,524
Conting. res.	25,000	......
Capital stock	150,000	150,000
Appraisal surplus	98,103	98,103
Surplus‡	971,512	826,440
§After depr. of	418,426	366,952
‡Incl. ref. EPT	17,773	34,227
Working capital	781,779	589,221

‡Included in curr. assets in co's report.

MASSEY-HARRIS CO. net profit, for year ended Nov. 30, 1948, was more than double that of previous year. Sales amounted to $143,864,964, 71.6% over 1947 and nearly seven times sales for 1939. Sales in the U. S. market were much over average for the industry, being 81.9% over 1947 and 12 times 1939. During the year, sales increased in every major world market and created a new record.

New plant and equipment purchased during the year to help reduce manufacturing and distribution costs and to extend operations represented a net expenditure of $5,770,849. The new factory at Kilmarnock, Scotland, is nearing completion and production of company's new Diesel tractor and self-propelled combine is expected to start there this March. Product of this factory, with that of the Manchester factory, will be used not only to meet requirements in the United Kingdom, but also to supply other markets in the soft currency area. In the past year first production in U. K. of company's combines and tractors was undertaken successfully at the Manchester plant.

Participation in the extensive agricultural project of the British Overseas Food Corp., involving in Tanganyika alone the development of over 3 million acres of jungle land for growing of peanuts to produce much needed edible oils, has created a valuable market for company's products, as has also the introduction of mechanized equipment to the large agricultural areas of India, Turkey, Israel.

"Although we are moving into a more competitive selling period, the company's most important lines, which include combines and heavy tractors, still enjoy a demand that seems likely to continue to tax the capacity of our plants," President J. S. Duncan states.

Currency difficulties still present many problems but operations under ERP are facilitating shipments to many important overseas markets, it is said. Demand in both Canada and the U. S. still continues at a high level, the sales for the first two months of the current fiscal year having greatly exceeded those of the same period in 1948.

CONSOLIDATED INCOME ACCOUNT

Years Ended Nov. 30:	1948	1947
Net sales	$143,864,964	$83,834,104
Net earnings	22,618,266	10,422,280
Less: Deprec.	2,161,806	1,396,108
Int. on loans	178,922	20,898
Bond. int.	638,642	524,707
Pension fund	270,000	256,500
Invent. res.	1,669,135	......
Income taxes	8,655,000	4,140,000
Net profit	9,044,761	4,084,067
Less: Pref. divd.	256,411	334,877
Com. divd.	1,276,856	1,306,076
Surplus for year	7,511,494	2,443,114
Times Bond Interest Earned:		
Before deprec.	35.14	19.82
After deprec.	31.75	17.16
Earnings per Share and Dividend Record:		
Pref.: Earned	$56.11	$15.84
Paid	1.25	1.25
Common: Earned	6.57	3.19
Paid	1.00	1.12½

CONDENSED CONS. BALANCE SHEET

As at Nov. 30:	1948	1947
Cash & govt. secs.	$14,539,699	$8,290,667
Accts. rec.	6,134,429	3,444,495
Inventories	50,801,380	35,961,398
Total curr. assets	71,475,508	47,696,560
Prepaid chgs.‡	569,346	569,351
Invest. affil. cos.	2,021,084	2,021,084
Fixed assets*	16,414,005	12,804,962
Total assets	90,480,143	63,091,957
Bank loan	1,554,171	508,546
Accts. & tax. pay.	10,983,694	13,875,595
Divd. pay.	334,394	293,434
Adv. payments	8,887,157	......
Total curr. liab.	21,759,416	14,677,575
Funded debt	30,308,000	17,708,000
Reserves	5,033,115	4,834,278
Capital stock	15,056,497	14,768,453
Capital surplus	2,206,207	2,206,207
Earned surplus	16,122,908	8,897,444
*After depr. of	18,190,960	14,176,430
‡Incl. in curr. assets in co's. report.		
Working capital	49,716,092	33,018,985

WORKING WITH CANADIANS IN EVERY WALK OF LIFE SINCE 1817
"MY BANK" TO A MILLION CANADIANS
B of M
BANK OF MONTREAL

A Man's Topcoat . . .
Simpson's Covert Cloth
$55

Richly finished covert cloth topcoat . . . soft and smooth to the touch, pleasing to the eye . . . ideal for the business or professional man. Closely woven to keep that well-tailored shape and turn Spring showers. With the balanced meticulous tailoring for which Simpson's own workrooms are so well-known. Styled in the popular English Bilton model, with broad shoulders, full chest, smooth fitting collar. See what Simpson's Covert topcoat can do for you.

- Biscuit Tan
- Light Brown
- Medium Brown
- Teal Blue
- Blue-Grey
- Blue
- Grey

Simpson's Covert Topcoat $55

Simpson's
THE STORE FOR MEN
SECOND FLOOR

Classified ADVERTISEMENTS

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad. 12 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads. payable in advance. Contract rates on application.

POSITIONS WANTED

AUDITOR Institute of Internal Auditors' University training; Chartered Accountants' experience; willing to travel; presently employed, seeks position with opportunity. Box 354, The Financial Post, Toronto 2.

ENGINEERING—SALES—ADMINISTRATION, eight years manufacturing and marketing, engineering and business degrees, desire change to progressive firm. Box 339, The Financial Post, Toronto.

COMPTROLLER

COLLEGE GRADUATE and Accounting degree, in late 50's. Wide experience in control and co-ordination of manufacturing processes. Fully versed in multi-company corporate procedure, finance and personnel supervision. Sound knowledge of taxes and mature judgment. Box 365, The Financial Post, Toronto.

ACCOUNTANT OR EXECUTIVE ASSISTANT

EXCELLENT MANAGEMENT experience manufacturing, insurance, chain stores & stock brokers Desires change to post with real scope and prospects. Box 326, The Financial Post, Toronto.

PRODUCTION MANAGER and Superintendent available on short notice, middle-aged, 7 years experience in wire and steel fabrication and assembly, would consider other lines, production planning and control, product development, time-study, go anywhere. Box 378, The Financial Post, Toronto.

AGENCIES WANTED

EASTERN QUEBEC REPRESENTATION

AGGRESSIVE bilingual firm with sales office in Quebec City, wishes to represent additional manufacturers in sales of household appliances and hardware. Box 339, The Financial Post, Toronto.

VANCOUVER ISLAND DISTRIBUTORS

ACTIVE ORGANIZATION with wide dealer coverage Vancouver Island seeks agencies for Constructional, Engineering and Appliance lines. References on request. Box No. 343, The Financial Post, Toronto.

AGENTS WANTED

AGGRESSIVE REPRESENTATIVE with good connections in the retail and wholesale dry goods trade wanted for the provinces of Alta. and Sask. by well-established eastern manufacturer of work shirts and sportswear. Beaver Shirt & Sportswear Co., 221 Richmond St. W., Toronto, Ont.

WANTED TO PURCHASE

WANTED: A large business. Business man with cash funds desires to purchase a large staple business in the Province of Manitoba or Western Ontario, up to $200,000.00 in cash. All replies confidential. Please write, Four Provinces Investment Co., 300 Main Street, Winnipeg, Manitoba.

BUSINESS OPPORTUNITIES

FOR SALE: Newspaper plant in large town Western Ontario, circulation fifteen hundred; lots of job work. Linotype. Price $6,500. Four Provinces Investment Co., 300 Main Street, Winnipeg, Manitoba.

VANCOUVER ISLAND
BRITISH COLUMBIA

BUSINESS OPPORTUNITIES—Sash and door factory and builder's supply, cold storage locker Plant, near new hydro-development and site of proposed pulp and paper industry. Other excellent listings. For full particulars or other information, contact Hulme-Parker-Kerr Realty Ltd., Box 76 Campbell River, B.C., or phone 62.

GARAGE AND MACHINERY WESTERN CANADA

SALES $114,000, year. New building. Best equipment. Good agencies. No crop failure district. Poor health compels sale. Nets Ten Thousand yearly. Price Fifty Five Thousand with substantial cash. Great-West Realty, Childs Building, Winnipeg.

REAL ESTATE

Vancouver Island

LOCATED ON PEDDER BAY, 20 miles by road, 8 miles by sea, from Victoria, 33 acres of rugged natural beauty, well wooded with fir, spruce and balsam and with a commanding view across Juan de Fuca Strait to the Olympic Range. This property has about 525 feet waterfront, good fishing and year-round anchorage. There is a comfortable 5-room frame bungalow with water and hydro, telephone available. A peaceful, uncommercialized spot surrounded by scenic beauty. See it now when the daffodils and apricots are in blossom! It must be sold promptly to close an estate. For further details write to Box 366, The Financial Post, Toronto.

WANTED

WANTED—IMPORT QUOTA Category 4. Any amount large or small. Box 361, The Financial Post, Toronto.

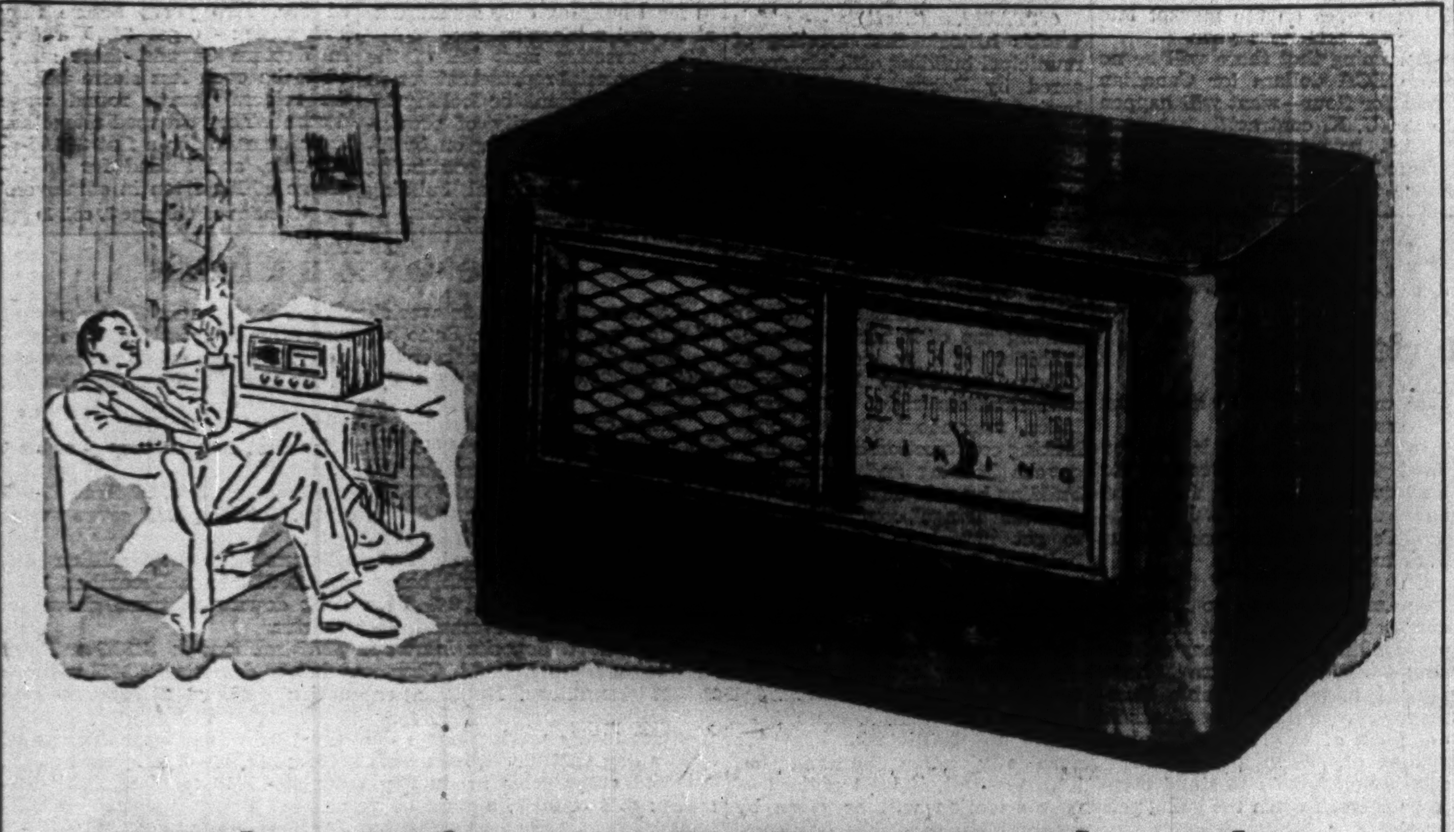
FOR SALE

EMPLOYERS PLEASE NOTE

DO YOU SHARE PROFITS with your employees? If so, we are eager to get the details of the profit-sharing scheme you use and any other such plans you know about. Box 372, The Financial Post, Toronto.

FOR SALE
MINING RIGHTS

NEAR THE most productive oil fields in Albert County, N.B. P.O. Box 1375, Saint John, N.B.



7-Tube "Viking" AM-FM Mantel Radios

One of the finest of mantel model radios for wonderful broadcast reception plus thrilling static-free "presence" of Frequency Modulation. Beautifully styled in two-toned walnut veneers to add distinction to living room, library or den . . . has a cleverly engineered, more effective 7 tube circuit . . . specially matched speaker . . . tone control and provision for attaching a separate record player. A typical EATON big value Viking. Each 89.75

EATON'S

YACHT REQUIRED

Sea-going yacht with comfortable quarters for 6/8 passengers suitable for Gulf and West Coast Newfoundland. Nothing less than 90' with good beam and draft. For about one month starting July 20. Complete with crew. Details with photo to C. G. Savage, P.O. Box 69, Montreal.

Wages Drive Offers New Dilemma for Unions

(Continued from page 1)

contributions to the union welfare fund. This was the first time in years the Western miners failed to get a pay raise.

Other Signs:

In Ottawa, the Firefighters' Association agreed to give up the three-platoon, 48-hour week and return to the two-platoon, 56-hour week. The change would save Ottawa some $100,000 a year by not having to hire 75-100 additional firemen.

In Montreal, a Conciliation Board flatly recommended against any increase in the basic monthly rate of $170 for seamen on Canadian deep sea vessels.

In Alberta and Manitoba, the packinghouse industry was experiencing the worst layoff in 10 years, according to Union Representative Jack Hampson. About 200 had been laid off mainly because of reduced deliveries—farmers were shipping their beef cattle to higher-price U. S. markets.

In Kitchener, the tire division of B. F. Goodrich Co. of Canada, went on a 4-day week due to a drop in export trade for Canadian cars. The footwear division of Merchant's Rubber went on the same reduced schedule.

In Vancouver, Federal officials were determining whether the province's unemployment (25,000 in January) warranted special Ottawa financial assistance.

In Ontario, 49,000 were listed as unemployed with only 11,000 vacancies on file at National Employment Service offices.

In St. Thomas, 60 residents were hit by the largest single layoff by New York Central Railroad since 1939. Some 8,100 got temporary layoff notices due to a 10% decline in passenger and freight traffic. The week before, the Pennsylvania Railway laid off 2,500 maintenance shop workers.

Major Talks Pending

To many, these signs pointed to the end of a 15-year climb in industrial wages. However, the full effect won't be fully determined until the big industrial unions in basic industries such as steel, rubber, electrical and autos gather around the negotiating table between now and August.

The key Canadian union—CIO Steelworkers—is already dickering with two fabricating plants and getting set to start talking with the Big Three in primary steel—Stelco, Algoma and Dosco. What emerges will undoubtedly be the 1949 pattern.

Union demands add up to what looks like a whopping 40c an hour more. This includes a shorter week, vacations with pay, hourly increase, etc. The talk is they'll be lucky to get 5c.

Oshawa employees of G.M. for example can only look forward to a 3c raise this year. Like fellow unionists in the U. S., they have their wages tied to the cost-of-living index. If it goes down as it has in the U. S., down go wages. In Canada it is still climbing but not to the point where the union's escalator wage clause begins to turn. However, the agreement provides for a flat 3c raise in June. At the moment, it looks as if that's all they will get.

If so, other unions are expected to have a hard time getting much more.

Wheat for U. K. But Who Pays?

(Continued from page 1)

be used as a vehicle for unburdening its surplus food.

Canadian officials do not believe this is going to happen.

They believe and expect that the political pressure at Washington will be met by withdrawal of U. S. funds for offshore purchases of wheat. Once this is done, they doubt if pressure will be exerted on the British, forcing them to accept U. S. wheat instead of the wheat they have contracted to buy under their Canadian contract.

But even if the British are left free to honor the Canadian contract what will they use for money in Canada?

Last year, British purchases in Canada were roughly $690 million. There isn't a strictly comparable figure of how much of this was financed by ECA funds.

But since ECA was initiated in April, 1948, it is fair to say that between one half and two thirds of all British buying in Canada has been financed by ECA offshore funds.

And most of these ECA authorizations (about $304 million or 60% of all ECA money allocated to Canada for British account) went for wheat and wheat flour.

If U. S. dollars are no longer available, this means either that Britain will have to find an extra $300 million of hard dollars to balance her Canadian accounts—or else ECA authorities will have to find other commodities which can be "switched" to Canada.

One of the difficulties here is that shortage of supply may prove a limiting factor.

Britain would buy more cheese from Canada, for example. But we are falling behind in our agreement on this particular item. Currently we are shipping only half the amount of bacon that Britain has agreed to take in 1949.

As well, if switching were to take place on any large scale, and with the co-operation of U. S. and U. K. authorities, it might very soon happen that Britain would be getting more than her allocated share of ECA dollars in 1949. Already Britain's over-all total of ECA dollars is quite materially lower for the year starting July, 1949, than it has been to date.

This leaves one other alternative — namely that Canada herself may be required to speed up drawings by United Kingdom under the Canadian loan. Presently these drawings are at the rate of $10 million a month. Whether United Kingdom will permit a more rapid rate of borrowing is another unknown.

It is not expected here that anything very decisive will happen for the time being.

J. A. SENECAL

has been appointed a director of L. G. Beaubien & Co.

$ Revaluation Trade Hazard?

(Continued from page 1)

is again out of line with the facts of the situation.

Canada's trading difficulties today are not due to her prices being "high" or non-competitive on world markets. They are due in the main to dollar difficulties on the part of our customers. Thus revaluation of the dollar would not resolve the fundamental handicap to today's world trade.

What has been determined government policy since present exchange difficulties began in September, 1939, has been to create the maximum possible "stability"—first at the 90 cents level and later at the present parity.

Every attempt has been to hold this rate through thick and thin and to establish confidence on the part of business that it would not have to add to other hazards the hazard of a fluctuating rate.

But No Unanimity

Not all informed opinion accepts the Ottawa view.

One well-trained observer in the investment business says he would abolish the Exchange Board Control, let the dollar rate go free. He claims the results momentarily might be a sharp drop in the dollar rate and in the international flow of money and securities, but he says there would be prompt corrections. His belief is that our dollar would soon settle down at or around par, that there would be enormous buying of Canadian securities by Americans. "We've got to get rid of this awful ambition for security," he said.

Simpson's Regina Store Wing Begun

Bird Construction Co. has started the biggest commercial expansion project in Regina in years—a 3 stories and basement 48,000 sq. ft. steel and brick extension to the Eleventh Ave. store of Robert Simpson Co.

Utilities Lead Business Capital Spending Plans

(Continued from page 1)

construction industry, $515 millions.)

Here is a more detailed breakdown of how the money will be spent with comparative figures for 1948.

CAPITAL INVESTMENT IN CANADA
(millions of dollars)

	New Construction		Machinery and Equipment		Total	
	1949	1948	1949	1948	1949	1948
Farming, fishing, etc.	50	46	297	265	347	311
Forestry	9	15	8	16	18	30
Mining, oil wells	48	42	73	76	121	118
Manufacturing	162	174	360	390	522	564
Transportation, communication	132	118	221	207	353	325
Central electric stations	133	103	121	97	254	200
Construction industry	3	5	26	43	29	48
Residential housing	741	682	..	..	741	682
Trade (wholesale, retail)	98	89	61	66	159	155
Finance, insurance, real estate	32	25	5	7	38	32
Commercial services	27	36	36	42	64	78
Institutions	178	111	22	16	200	127
Direct government	371	325	64	50	435	375
	1,986	1,773	1,294	1,272	3,280	3,045

It will be seen that the largest dollar value for new construction in 1949 (exclusive of new machinery and equipment) is in the field of housing. The estimated dollar value of new housing construction in 1949 is put at $741 million, a rise of 8.8% over the same figures for 1948.

Much larger percentage increases are shown in the estimates of what governments will spend in 1949 for new capital investment.

The new figures put federal Government spending at $345 million (up 37%); provincial government spending at $329 million (up 13%) and municipal capital investment up 14% at $247 million.

In the following table, the combined spending of all three governments of $921 millions for 1949, includes not only direct government outlay as well as spending through government-owned enterprises and housing, etc. The figures follow:

CAPITAL INVESTMENT BY GOVERNMENTS, 1949
(Millions of Dollars)

	Const.	Mach. & Equip.	Total 1949	Total 1948
Federal				
Govt.-owned enterprise	43	71	114	92
Govt. inst. & housing	88	....	88	68
Direct govt.	108	35	143	91
Total	239	106	345	251
Provincial				
Govt.-owned enterprise	85	82	167	130
Govt. inst. & housing	7	1	8	6
Direct govt.	141	13	154	156
Total	233	96	329	292
Municipal				
Govt.-owned enterprise	25	16	41	33
Govt. inst. & housing	62	6	68	56
Direct govt.	122	16	138	128
Total	209	38	247	217
Grand total.	681	240	921	760

Certain of the figures in the survey are available for regional areas.

These totals comprise a little more than half the over-all figure. They include chiefly business investment, utilities and housing. The totals follow:

SELECTED CAPITAL INVESTMENT BY AREAS, 1949
(Millions of Dollars)

	Const.	Mach. & Equip.	Total 1949	Total 1948
Maritimes	76	29	105	102
Quebec	285	162	447	441
Ontario	461	306	767	724
Prairies	179	66	245	246
B. C.	150	65	216	209
	1,152	629	1,780	1,723

See Rayon Cut By Year's End

Falling U.S. rayon prices increased domestic supplies, may topple Canadian rayon price structure before summer is out. Increased domestic production and boosted U.K. imports may glut rayon market before year-end.

Currently, annual domestic production is running at 115 million yards clip, 30% over a year ago. U. K. imports are running almost double last year. Imports from U. S. will likely tell price story; decision on quotas is expected before mid-year. Increased quotas, if not complete removal, are looked for. This would upset the delicate supply-demand balance and drop domestic prices substantially, trade officials say.

Further U. S. price decline would mean even existing tariffs would provide little real protection against distress selling by U. S. producers. At any rate some cutback in domestic production seems indicated before year is out.

Butter Imports Cost Government 5.5 Cents Lb.

OTTAWA (Staff)—All the imported butter which the Government bought to fill up the gap which threatened before the lifting of the margarine ban, cost the taxpayers as a whole 5½ cents a pound or $866,000.

When the shortage threatened last year, the government buying agency, Canadian Commercial Corporation, was authorized to get butter.

It managed to buy 15.7 million pounds. Of this, 11.2 million came from Denmark at a cost of 71.2 cents a pound. There was 2,240,000 pounds each from New Zealand and Australia at a cost of about 67½ cents.

By the time all the handling costs were paid, the butter cost the CCC, laid down in Canada, about 73½ cents.

It was only able to recover 68 cents.

CANADIAN JOHNS-MANVILLE CO. has already spent $12 2/3 millions in Canadian expansion since the war and intends to bring the total close to $14 millions before new production facilities are completed, Vice-president Earle C. Brockett states.

The business boom in Canada appears to be continuing at a record peace time level with no indication of an early decline and Canadian business was not tinged with pessimism as were some U. S. businesses, he said. "Our company's expansion therefore puts us in a position to meet demand."

Look For It Here

March 5, 1949

REGULAR FEATURES

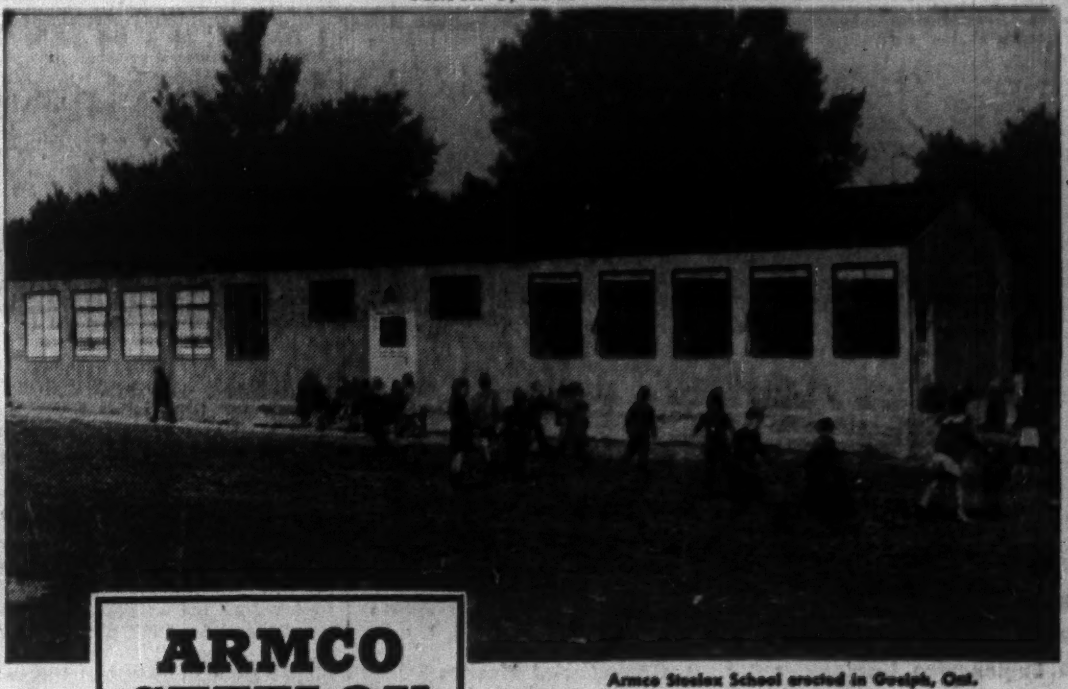
Adelphi 28
Advertising . . . 2
Banking 22
Editorials 6
Grain 20
Indust. Growth . 7
Insurance 23
Investments . . 4, 5
Labor Roundup . 11
Managed Invest. 5
Market C'ment . 25
Mining . . . 26, 27
Others Say . . . 6
Post Scripts . . . 6
Prov. Roundup . 12
Quotations. . 24, 25
The Question . . 10
What's New . . . 14
You Asked Us . 17

INDUSTRIALS

Ann. Court Apt. 23
B. C. Electric . . 21
B. C. Telephone 16
Bell Tele. 4
Br. & Dist. B. C. 16
Can. Cement . . 4
CPR 4
Can. Breweries . 5
Can. Fire Ins. . . 23
City of Sherb'ke 19
Can. Indemnity 8
Cons. Oka Sand. 9
Corr. Pap. Box . 18
Can. Malting . . 13
Dom. Life 23
Donn. Paper . . 18
Dunlop Tire . . . 28
East. Can. Sav. . 27
Easy Washer . . 20
Fidelity Life . . 25
Fire In. Co. of C. 8
Gen. Trust of C. 7
Home Assur. . . 23
Int. Paper 4
Ind. Accept. . . 19
Ott. Journal . . 18
Kim.-Clark . . . 14
Lond. Can. Inv. 9
MacMillan Exp. 25
Man. Pr. Comm. 5
Mailman Corp. . 22
Melchers Dis. . . 21
Mod. Cont's . . . 18
Nat. Sewer Pipe 8
Northwest Ut. . 12
N. S. Lt. & Pwr. 22
Ottawa V. Tr. . 27
Peru Air. 4
Prov. of Man. . . 12
Prov. of Que. . . 23
Quebec Power . 5
Reliance Pet. . . 4
Renfrew Tex. . . 16
Sangamo 20
Shaw. W. & P. . 25
St. Lawr. Corp. . 17
Thayers 4
Telephone 11. 0 kl
Wester Plyw'd . 16
Unit. Asbestos . 26
Union Gas . . . 25

MINES AND OILS

Aubelle 12
Aumaque 12
Brae-Breest . . 27
Cons. Ast. 26
Crown-Dom. . . 14
Con. Lead 27
Con. Oil 27
Dis. Y'knife . . 26
Dougron 5
Gan Copper . . . 27
Husky 26
Imp. Oil 26
Jet Oils 26
Kirk. Gold. L. . 8
Kirkland L. . . . 27
Kingdon 22
Lapaska 26
New Jason . . . 4
Pan. West. Oils . 23
Piccadilly Porc. . 8
St. Regis 9
Sisco 14
Sherritt-Berens . 27
Stadacona 7
Springer-Sturg. . 5
Ranrouyn 26
Redwater . . 26, 27
Trebor 27
Yukon Cons. . . 26



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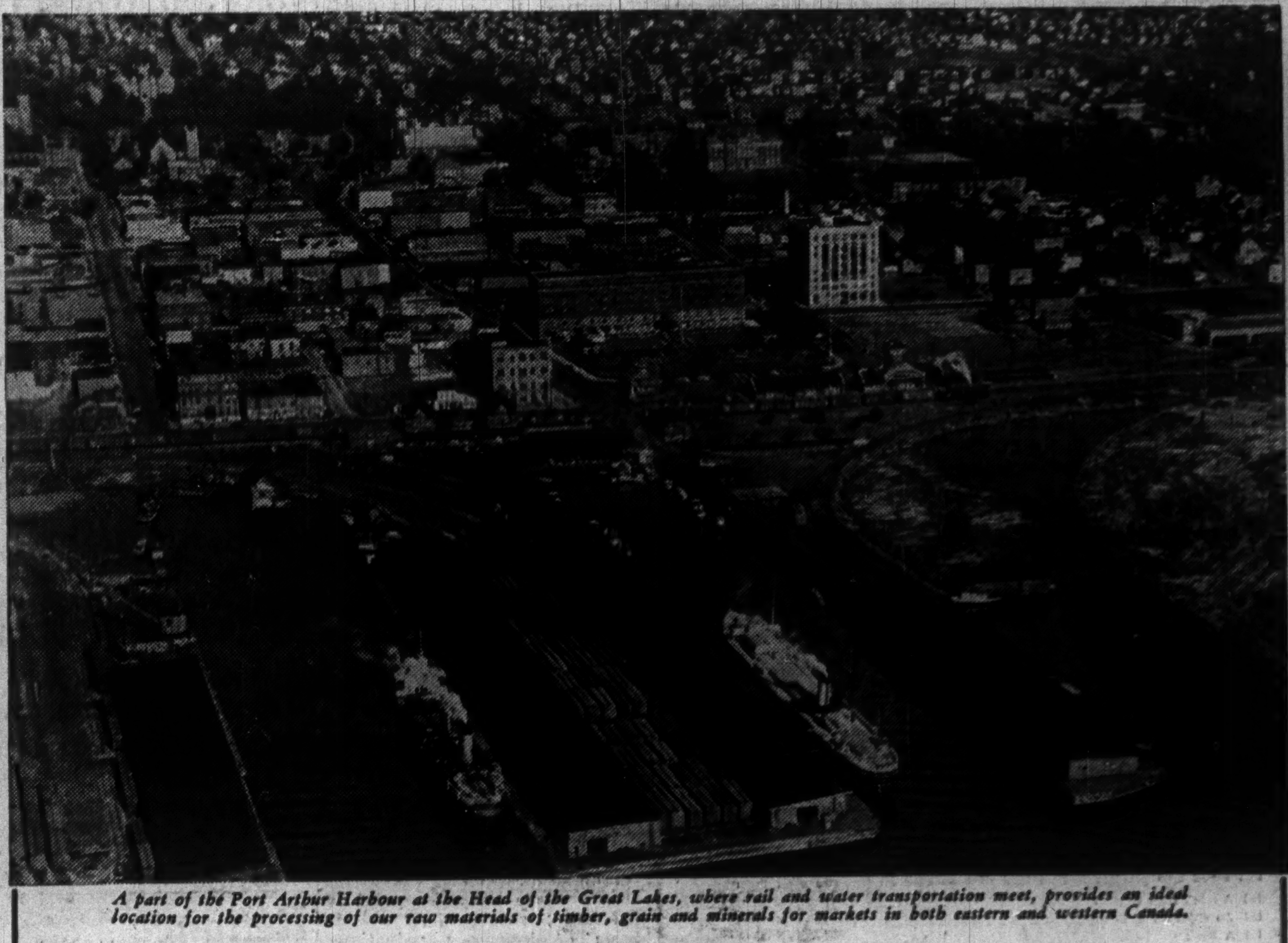

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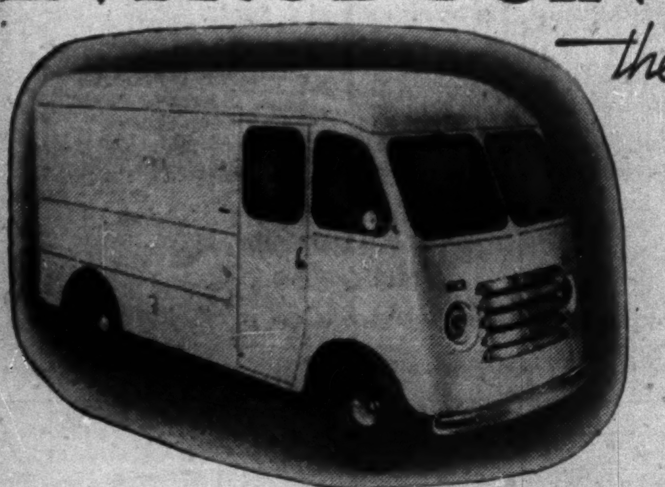

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Proposals Will Be Received for the Development of

A SHOPPING CENTRE

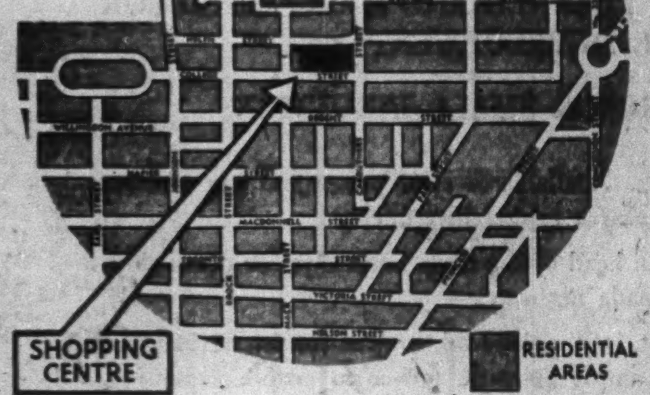
in the

City of Kingston

An area of approximately 2.98 acres, rectangular in shape and having approximate dimensions of 232 ft. x 460 ft. has been zoned in the west end of the City of Kingston for the spesific purpose of Establishing a Shopping Centre. This zoned area is located in a residential district most of which has been recently developed and is of some 310 acres in which there are in the neighbourhood of 1500 homes. Such a shopping district could not only serve its immediate surroundings but because of its accessability would serve a potential population of 10,000 people.

This zoned area provides that no land shall be used for purposes other than:

(a) A retail store or shop
(b) An office for or in connection with a business or profession
(c) A Bank
(d) A restaurant
(e) A movie theatre and/or auditorium
(f) A store or shop selling personal services
(g) A garage, used only for the storage of motor vehicles in connection with a business carried on upon the same or adjoining premises
(h) An office or building to be used for the purpose of the municipal corporation (excluding a utilities sub-station)
(i) An office or building to be used for postal, telegraph or telephone services



Shopping centres have been established in other municipalities whereby the services supplied are under one roof and others by individual units.

The zoned area referred to is owned by the Corporation of the City of Kingston and therefore does not entail negotiating with realtors. Such normal services as water, sewers, etc., are installed.

The City of Kingston is desirous of receiving proposals for the development of this shopping area addressed to the undersigned and to be postmarked not later than April 15th, 1949.

C. C. WYATT
City Clerk-Comptroller
Kingston, Ontario.

INVESTMENTS THIS WEEK

Underlying Factors Strong But Stock Markets Weak

Canadian stock markets were strengthening slightly early this week after dropping last week to their lowest level since last April.

Pressure from investor fears about business outlook, together with U. S. fears of possible adverse legislation, seem dominant factors in the present market. One market expert thinks there is "too much conjecturing going on."

Publication this week of "Private and Public Investment in Canada: Outlook 1949" provides investors with new and reassuring information. While it points to leveling off in capital investment trend for 1949, physical volume is expected to be slightly higher than in 1948 and the dollar amount up 8% (see story page 1). A recent U. S survey by McGraw-Hill indicated programmed spending of $14.1 billions against last year's record-breaking $14.9 billions.

With capital expenditures continuing at high level both here and in U. S., many analysts feel any sharp drop in business or stock markets is unlikely. Capital expenditure volume is a major factor affecting the business outlook, although vulnerable itself to general business level.

Spending Shifting

Examination of the Canadian report indicates source of spending is shifting slightly. While each group is spending more on capital expenditures, repairs and maintenance, the increase is greater for institutions and housing and for Dominion, provincial and municipal public investment than for business enterprises. In fact, capital expenditures only of business enterprises are down slightly (1.4%).

This tends to confirm opinions there will be a trend toward greater new financing for public bodies and to lower volume of new financing for corporations. This would be a factor in maintaining demand and so price level of outstanding corporation securities, both bonds and stocks.

Two other factors, seen pointing to no drastic drop in stock prices, are:

(1) Stocks generally are favorably priced in relation to 1948 earnings. Many are selling under eight times current earnings — at very low ratios.

(2) High yields obtainable on stocks. Yield on Canadian common stocks, calculated by Moss, Lawson & Co., averaged 6.83% last week — 2.3 times the 2.99% yield obtainable on Dominion of Canada 3% perpetuals.

Even if earnings drop sharply, many companies would still cover their dividend requirement and their stock price would still be reasonable in relation to earnings, analysts point out.

Against this, soft spots are appearing in the business picture, conditions are more competitive in some lines and our export markets are vulnerable to world conditions.

No Optimism to Liquidate

On the other hand, people have been talking about "the coming recession" since at least the summer of 1946 and stock prices have been discounting it since Sept., 1946. Also, active speculation in stocks has been conspicuous by its absence for some time so there is little, if any, overoptimism to liquidate. Drifting prices would seem to be a result of a lack of buyers rather than any great volume of selling.

Whether confidence will be restored enough for stock markets to improve in the near future remains to be seen. Definite knowledge of U. S. legislation program, followed by first quarter reports of companies, if favorable should engender better stock markets.

* * *

Annual Reports

With so much uncertainty about future price trend of many basic commodities, company executives should make a special point of informing shareholders of the basis of inventory valuations, replacement value, size and adequacy of inventory reserve (if any), and any other relative information available. Too many reports appear with the meagre "valued at lower of cost or market" tag on inventories and don't even state reserve amount.

* * *

Imperial Tobacco Co. of Canada has further brightened its annual report for 1948 by using color and reproducing clients' pictures on back cover. Report gives comparative figures for past two years.

* * *

Western Grocers Increases Investments in Subsidiaries

Western Grocers Ltd. annual report does not cover operations of its subsidiaries, in which it had an investment of $2,469,618 at Dec. 31, 1948, increased by $1,019,531 during the year. President W. P. Riley states the company purchased additional shares of Blue Ribbon Corp., also acquired from Garfield Weston all issued shares of the McLean Co. (No information is given shareholders about what the McLean Co. is, or its business. It is a wholesale grocery firm in Winnipeg.)

Dividends from subsidiaries of $312,837 in 1948 were 51% higher than in 1947, equal to 12.7% of the higher value of investments at cost, (14.3% of investments at cost in 1947).

As only dividends from subsidiaries are shown, there is no indication of exactly how profitable they are. Mr. Riley states that each subsidiary earned net profits for their respective fiscal periods ending in 1948. The auditors report all subsidiaries earned net profits for financial periods ending in 1948 and in the aggregate, dividends from subsidiaries taken credit for in the statement of profit are less than combined profits of subsidiaries for such periods.

Western Grocers common is currently quoted about $22½ bid to $23 ask. At this price it is selling about 3.2 times its 1948 earnings of $7.29 a common share. No dividend was paid on the common.

* * *

Imperial Tobacco Co. Changes Dividend Policy

Imperial Tobacco Co. of Canada has announced a change in its dividend payments. For some years this company has paid quarterly dividends of 10c per share and a final dividend in March of the following year out of the previous year's profits. To equalize the dividend payments more evenly over the entire year the company has adopted a policy whereby 12½c per share will be paid quarterly (annual rate of 50c per share), leaving the final extra to be determined when the year's results are known.

* * *

Two Investment Firms Join as Fairclough & Co.

Two investment firms, Fairclough & Co. and Saunders, King & Co., have amalgamated under the name of Fairclough & Co., as of March 1, the directors announce. The businesses of each firm were considered to be complementary and as a result of the amalgamation, the firm will be able to give a higher degree of service in specific departments to the clientele of each of the former firms, it is stated.

Partners of the new firm will be: A. B. Fairclough, Arthur Dymond, H. W. Hunter, E. M. Saunders, and C. G. King. All are well known in the investment business, Mr. Fairclough having been in it 34 years, Mr. Dymond 36 years, Mr. Hunter 25 years and Mr. Saunders and Mr. King 17 years.

Future a Question For Peru Airways

What's going to happen to Peruvian International Airways is currently a question mark. Company's whole position is very unsettled, The Financial Post understands.

Discussion concerning PIA's future is taking place with other airlines, The Post understands. These include Transcontinental & Western Air and Braniff Airways.

Three U. S. creditors of PIA last week applied for bankruptcy proceedings against company before a New York judge who appointed a company receiver.

Meanwhile, in Peru, company directors are still talking to the Government regarding aid it had promised. Because of the unsettled political situation there, however, little progress is being made.

Yolles Starts Building Toronto Office Block

Toronto's Eaton College St. store is to have another rental office neighbor. Louis S. Yolles' College-Bay Corp., on the northwest corner of College and Bay Sts., has started building stores, restaurant, bank and seven stories of offices, about 180,000 sq ft; reinforced concrete frame and stone walls on two street frontages, basement parking. Architects are Page & Steele; consulting structural engineer Harold J. Hooper.

HOWARD KENNEDY

has been appointed a director of Photographic Survey Corp.

High Volume For Can. Cement

MONTREAL (Staff) — Prospects for a high business volume this year seem assured, Canada Cement Co. President F. B. Kilbourn told shareholders at annual meeting. Concrete blocks have found ready acceptance in building construction, especially housing, and there seems every reason to expect continuance of this outlet for company's product for years to come, Mr. Kilbourn said.

There's a big backlog of construction work, roads, bridges, sewage and waterworks, subways, etc., some of which are already under way, he said. Also there are still huge power developments in Ontario and Quebec which must be undertaken. In housing, activity will probably equal last year's when 75,000 houses were built, he added.

Mr. Kilbourn pointed out company capital expenditures have increased considerably. Company directors felt this was necessary, and to provide needed funds, appropriation for preferred dividend maintenance fund was not as much as formerly ($400,000 in 1948, $600,000 in '47, $800,000 in '46).

Cement now sells in Canada at a low price compared with competing materials and prices in other countries, Mr. Kilbourn noted. Quality has been maintained at a standard equal to any in the world and low selling price has been made possible by sustained policy of plant modernization, and helped along by high sales volume, Mr. Kilbourn said.

5 Imp. Tob. for 1 In Nfld. Co. Deal

MONTREAL (Staff)—As previously reported (The Financial Post, Dec. 16), Imperial Tobacco Co. of Canada, has offered to acquire as a going concern, business and assets of Imperial Tobacco Co. (Newfoundland) Ltd.

In its annual report, President E. Spafford states offer was made anticipating Newfoundland becoming a province of Canada.

Imperial Tobacco Co. of Canada will acquire assets and assume liabilities of Newfoundland company for $76,125 in cash and 180,000 fully paid common shares of Imperial (Can.). Cash is to pay off Newfoundland company's preference shares.

Ordinary shares will be distributed in ratio of five for each ordinary share of Newfoundland company.

ALUMINUM CO. OF CANADA reports safety record of 1,139,031 hrs. without lost-time accident has been established by Arvida's 7,000 workers. Previous record was 1,025,000 hours.

RIVIERE-du-LOUP has sold $250,000 of 3%-3½% serial 15-yr. bonds at $97.26 to Dominion Securities Corp. Net cost of money borrowed will be 3.708%.

Bell Rates Need Review Johnson

MONTREAL (Staff)—Possibility of an application for an upward adjustment of telephone rates by Bell Telephone Co. of Canada was indicated by President Frederick Johnson at company's annual meeting. Higher operating costs, plus greater investment per telephone, "will compel us to review our present schedule of telephone rates established in 1937 with a view to obtaining such adjustments as may be necessary," Mr. Johnson stated.

Earnings of Bell have had to face problem of rising costs on two counts: plant investment per telephone, and operating costs. Mr. Johnson stated that, as a result of rising costs, average amount of plant investment for each telephone in service has increased from $240 to over $270. On operating side, higher costs have been partly offset by loading plant and equipment beyond its normal capacity.

Mr. Johnson pointed out, however, that cumulative effect of higher operating costs and greater investment in fixed assets per telephone is becoming increasingly apparent in a declining trend in return on capital.

This situation appears to have left company with problem of keeping earnings high enough to attract new equity capital when needed. Since 1946 Bell has financed its capital requirements largely through equity financing. Since 1946 Bell acquired $132 millions of new capital for its construction program, equivalent to about four fifths of total capital outstanding at end of war. Mr. Johnson emphasized, however, that of this amount $92 millions came from Canadians who invested their savings in share capital. Balance of $40 millions was obtained by sale of long-term bonds. Proportion of debt capital is now down to 37% of total capital employed.

New Issue Highly Successful

In this connection, he said, offering of 1,030,000 more shares, on a rights basis (one new for five held) which closed Feb. 21, was eminently successful and had produced well over $33 millions of new capital. From proceeds, company has paid off bank loans outstanding at year end.

Financing of Bell's capital requirements by such a large proportion of equity securities, issued and sold at prices substantially over par value was evidence of public confidence in company's continuing successful operation, Mr. Johnson believed.

Large additional amounts of new capital will still be needed to finance heavy construction required to further expand and improve company's service, he said. Sound long-view financing requires securing most of this new money from issue of share or equity capital.

Mr. Johnson said this regulated telephone industry cannot finance out of its earnings the plant expansion required to meet public demand for service. It must be financed largely by funds of investors who must be assured the business will earn enough to attract and safeguard their savings.

January Deficit In CPR Earnings

MONTREAL (Staff) — A 393% decrease in net earnings of Canadian Pacific Railway for January, 1949, compared to same month last year, was indicated by company's earnings statement.

Gross earnings increased by $2.8 millions but working expenses were up $3.2 millions. Result for month was that company showed deficit of $301,124, compared to net earnings year ago of $103,341.

Reliance Petroleum Offers Shares and Cash for Thayers

Separate meetings of preferred and common shareholders of Thayers Ltd., London, Ont., have been called for March 21 to consider sale of business to Reliance Petroleum Ltd. (formerly Crown-Dominion Oil Co.), Hamilton.

Company, pursuant to sale agreement, proposes to sell its assets and undertakings, subject to liabilities, for $160,059.37 in cash and issuance and allotment to it of 9,485 fully paid 4½% cumulative, redeemable, nonvoting preference shares, par $50, and 16,818 fully paid nonvoting class A shares, no par value, Reliance Petroleum Ltd.

Thayers shareholders will receive:

(1) for each $3.50 cumulative preference share, no par value, $16.87½ in cash and one 4½% preferred share of Reliance.

(2) for each three no-par-value common shares — one Class A share of Reliance.

Thayer's has outstanding 9,485 preference shares and 50,454 common shares.

No fractions of nonvoting class A shares of Reliance will be distributed. Holders who might be entitled to receive a fraction will receive a noninterest bearing assignable fractional warrant to receive upon surrender (within 90 days from date of supplementary letters patent confirming arrangement, or within such extended period as may be fixed by directors), together with other fractional warrants sufficient to make up a whole share, one class A share. After time limit, company may sell class A shares held against these warrants and distribute cash proceeds to holders of warrants.

Acceptance Recommended

Directors recommend accepting offer, Thayers' president, F. G. McAlister, advises shareholders. He points out:

(1) asset value behind each Thayers common share is $2.43 at Dec. 31, 1948;

(2) over past 10 years average earnings on common shares (4½c a share) have not been enough to permit paying dividends;

(3) when companies' assets are combined, each Reliance class A share will have a book value of $13.79 and net earnings, after depreciation, based on 1948 income, are equal to $2.12 a share.

(4) based on estimated sales for 1949 and anticipated economies from combined operations, 1949 earnings per class A share will exceed $2.50 a share, it is estimated.

(5) cash is to satisfy preferred shareholders' rights in dividend arrears and redemption of such shares.

March Review and Securities List

Our March Review and Securities List features current business comment and highlights the latest financial statements of Canada Cement Company Limited, Dominion Tar & Chemical Company Limited, Eddy Paper Company Limited, H. R. MacMillan Export Company Limited and Simpsons, Limited.

A diversified list of Canadian securities is offered for March investment.

Telephone or write for copy of March Review and Securities List.

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Regina Edmonton New Westminster Victoria
New York Halifax London, Eng.

Int. Paper to Start Work on Rayon Mill

Work will start immediately on the new $20 million rayon pulp mill of International Paper Co. at Natchez, Miss., Major Jack Friend, vice-president and head of its Southern Kraft Division announces. The mill is scheduled for completion early in 1950.

The new mill will have an annual capacity of 100,000 tons of dissolving pulp used by the manufacturers of rayon yarns, Cellophanes, plastics, and allied products. It is said the first mill specifically designed for producing such pulps from hardwoods by the sulphate process.

NEW JASON MINES reports west drift on 6th level has so far shown 260 ft. of ore length averaging $59.50 uncut or $16.45 cut over average width of 31 in. East drift on same level shows length of 248 ft. averaging $64.05 uncut and $23.45 cut over average width of 33 in. Total length in ore on this 508 ft. level has averaged $46.55 uncut or $20.30 cut over average width of 33 in.

SPORTSWEAR MANUFACTURING PLANT FOR SALE

Parker Sportswear Ltd., located in Edmonton, is offered for immediate sale as a going concern. For the past six years, this factory has steadily increased in size and today, it comprises a fully modern, thirty-five-machine plant. All machinery is new and the staff is experienced and well-trained. Products include dress and semi-dress pants, sport shirts and general work clothing.

A suitable lease to meet the new owner's requirements may be arranged.

For further details communicate with J. H. Samuels, 10173—104th Street, Edmonton, so that appointments may be made for personal interviews with Mr. Samuels when he is in this City shortly.

For those who are interested in the growing opportunities of the western needle trade, this presents an unusually attractive opportunity.

STEAMSHIP LINE FOR SALE

Well known line operating both PASSENGER and FREIGHT services on a route of unexcelled scenery, serving several important and ever growing summer resort areas where water transportation is a "must," is being offered for sale.

The fleet consists of diesel and steam passenger vessels together with sundry smaller craft. All in operating condition for the 1949 season.

Past NET earnings warrant fullest consideration by corporations or private parties interested in a good income from a moderate investment.

For detailed information, apply;—

BOX 373
THE FINANCIAL POST, TORONTO

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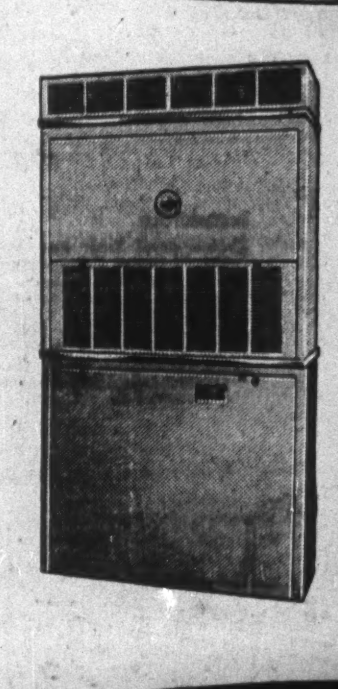

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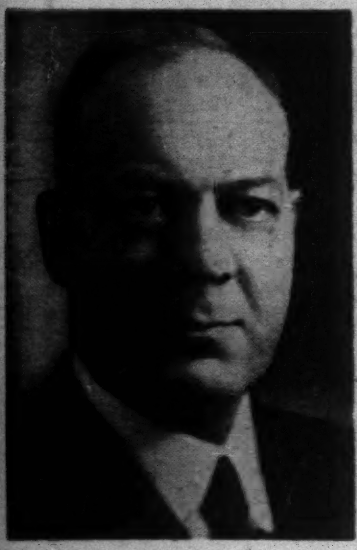


W. H. HOWARD, K.C.

It has been announced that Wilbert H. Howard, CBE, KC, has been elected to the Board of Directors of The Northern Trusts Company. Mr. Howard is the President of the Montreal Trust Company.

MANAGED INVESTMENT

Narrowing Export Markets Threatening, Compton Says

Mr. Compton's expected rate of annual income has reached a new high — $831.95. Latest improvement arises from declaration of a $1-a-share dividend on Simpson's Ltd. "A" shares. In 1948 the company paid two half-yearly dividends of 75c each. Narrowing markets abroad may affect our domestic prosperity, Mr. Compton declares.

Mr. Compton Says:

Though the stock market, as measured by the Toronto Stock Exchange Index of Industrial stocks, showed an almost continuous decline during the period from Jan. 16 to Feb. 15, we bought no stocks for your account.

Your expected rate of annual income as at Feb. 15 ($831.95) has reached a new "high." This is due to the declaration, by Simpsons Ltd., of a dividend of $1.00 per share on the class "A" common shares, payable Mar. 15.

In 1948 the Company paid two half-yearly dividends, of 75c each, on its "A" stock.

Simpsons Ltd. net profit for the year ended Jan. 5 amounted to $4,281,761, equal to $5.24 per share, on the total number of "A" and "B" common shares outstanding. Net profits were $3,758,194 (equal to $4.52 per share on the combined "A" and "B" common shares) in the previous year.

Other items indicative of current trends of change in business conditions are the following:

The Canadian Pacific Railway Co. has declared a dividend of 75c per share on the common stock, payable March 31. Last year the company paid 75c per share on March 31 and 50c per share on Oct. 1. The Directors of the company point out that the dividend payable March 31 is attributable entirely to income from sources other than rail operations.

Earnings equal to $3.29 per share on the common stock, as against $3.22 per share in the preceding year, are reported by Building Products Ltd. for the year ended Dec. 31, 1948. Net profits in 1948 were $1,589,245, as compared with $1,557,373 in 1947.

Eddy Paper Company's net profit, for the year ended Dec. 31, 1948, amounted to $703,410, equal to $3.51 per share on the class "A" stock. This compares with net profits of $564,757 or $2.82 per share on the "A" stock, in 1947.

Offsetting such good news of excellent company reports in this Dominion, is the recent admission in Washington, before a Congressional Committee, that there is a surplus of wheat in the United States; as a result of which (it appears) Canadian wheat exports may cease, one of these days, to be financed by means of ECA dollars.

Canada's exports to countries outside North America were already less, both in volume and in dollar values, during 1948 than in 1947. The Jan. 1949, total of Canada's exports to the States is also less, by $32,000,000, than the corresponding figure for Dec. 1948. The shrinkage is obviously much more than seasonal.

Thus, even before the financing of our wheat exports during 1949 (in consequence of this admission regarding wheat in Washington), became one of our most urgent problems, it was already probable that Canada's exporting activities would be curtailed this year.

The narrowing of the markets abroad, on which we depend for the sale of a very large proportion of this country's products (most of which, we never could consume at home) obviously menaces our domestic prosperity too, much more than is generally realized.

In terms of the new management agreement between us, which became effective Jan. 1 (The Financial Post, Feb. 19), you drew from your cash account, the sum of $55. But during the month ended Feb. 15 you received only $39.13 from interest and dividends. From the cash balance in your account you therefore took $15.87, which leaves $36.74 in your cash account, as of Feb. 15.

The Compton Account Now Stands

No. of Shares		Cost per sh. $	*Market per sh. $
	Common Stocks		
5	Building Prod.	29½	30
10	Can. & Dom. Sugar	22	20
30	Can. Canners	19¼	16
5	Can. Industries	19¾	21
10	Can. Pacific Rlwy.	13¼	14⅛
25	Cockshutt Plow	12⅛	13
20	Consol. Litho.	17¼	28½
5	Consol. Smelters	85	106
25	Gypsum, Lime & Alab.	15⅜	15¼
15	John Labatt	20	22
20	Montreal Locomotive	18	20½
20	Walkers	26¾	25⅝
15	Nat. Steel Car	19¾	22
20	Simpsons A	26½	27¾
	Preferred Stocks		
35	Abitibi, $1.50 pfd.	20¾	19⅝
30	Can. Wire Box, A	23¾	23¾
25	E. B. Eddy Co., $1	22	16½
25	Riverside Silk, A	32½	29½
50	McCabe Grain, A	11	8
30	D. Stuart Oil	16¼	18¾
120	York Knit. Mills, A	7¾	6½
	Mining Stocks		
100	Teck-Hughes	3.90	2.75
5	McIntyre	64½	54¾
15	Kerr-Addison	16¼	14⅝
10	Hudson Bay	45¾	47
	Bonds		
$1,100	Can., 3% 1957/60	100	101¾
$1,700	Can., 3% 1959/62	100.98	100⅞
	Cash		$36.74
	Curr. Market Value of Fund		$13,417.75
	Aver. Yield on Original $10,000		8.32%

*Bid price on Feb. 15.

EXPORT OPPORTUNITY

Canadian manufacturer with plant in Holland, leaving end of March for Belgium, France, Switzerland, England and Holland, is interested in representing firms having products available for export (no luxury items). Reply

BOX 376
THE FINANCIAL POST, TORONTO

MALE HELP WANTED

One senior accountant. Age 35 to 45 years. Must have at least ten years experience—capable of handling staff. Starting salary $350 per month. For paper mill situated on North shore of Lake Superior. Apply stating full particulars to:

Box 374
The Financial Post, Toronto.

SPRINGER, STURGEON GOLD MINES announces appointment of V. C. Moynes as a director to replace Robert W. Barker, New York, who resigned due to pressure of other business. Company has declared a dividend of three cents per share payable Apr. 5 to shareholders of record Mar. 16.

PROMOTIONAL OPPORTUNITY IN MONTREAL

A design—manufacturing—sales unit has available staff and premises in centre of city. Dependable and competent representation assured. This is for somebody who is considering expanding their business in this area.

BOX 377, THE FINANCIAL POST, TORONTO.

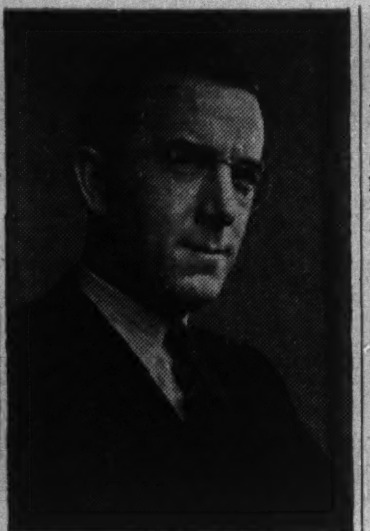
CHARTERED ACCOUNTANT

Leading industrial and merchandising company with nation-wide operations requires Chartered Accountant of executive calibre, age limit 35. Excellent opportunity for advancement for man of imagination, initiative and energy. Must be capable of training men and organizing special assignments. When replying state age, experience, marital status, and suggested salary.

BOX 357, THE FINANCIAL POST, TORONTO.

Bank employee with broad experience, 16 years Bank and 4 years Army Pay Office; desires worth-while position where sobriety, ability and integrity essential. Preferably in University City; salary $3500. Age 37.

Box 370, The Financial Post,
Toronto



A. WELCH

has been named general manager of E. B. Eddy Co.

Union Gas Co. Earnings Rise

Earnings of Union Gas Co. of Canada will show an improvement for year ending March 31, 1949, company official informs The Financial Post. Although the exceptionally mild winter so far has resulted in substantial drop in gas sales volume compared to same period last year the higher rate structure now in effect will largely offset this adverse factor.

Highlight of 1948 exploratory program for new natural gas fields was discovery of field near Wardsville that is said to show promise. Known as the Mosald field, it is located principally in northeast section of Aldborough township. Fifteen wells were drilled in this field to Jan. 1, eight of which were producers.

Pipe line work to connect up new field cannot be undertaken until ground is dry and therefore Mosald field cannot be tied into company's distribution system until this summer. To gather gas from two pools in Mosald field to central point requires five miles of pipe line, and further mileage will be necessary if other areas prove productive. Also it will require seven miles of line to pipe gas from central point to nearest transmission line, it is said.

New discoveries, such as Zone and Chatham fields, and now Mosald, have been helpful in extending life of natural gas usage in southwestern Ontario, but have not been sufficient to offset natural decline in other fields, company geologist Dr. Charles S. Evans states.

For first time in company history, diamond drill was used widely in proving up new fields. It sinks two-inch hole in half the time of standard cable tool rig, and at lower cost a foot. During year, 28 diamond drill holes were sunk. Another 15 were sunk in southwestern Ontario, outside Mosald area. Eleven were exploratory, and four (three of which were producers) were drilled in established fields. In addition eight holes were drilled jointly with another company, of which one was a producer.

COMPANY REPORTS

QUEBEC POWER CO. 1948 net profit was off 5.1%. Gross revenue was up at $5,774,254 ($5,347,322). Total operating expenses were also up at $3,644,083 ($3,243,987). Working capital position was off at $907,031 ($1,577,872).

INCOME ACCOUNT		
Years Ended Dec. 31:	1948	1947
Net earnings	$2,130,171	$2,103,335
Less: Deprec.	625,000	550,000
Bond int.	517,905	496,185
Res. inc. tax	354,503	390,107
Net profit	632,763	667,043
Less: Com. divd.	553,198	553,198
Surplus for year	79,565	113,845
Times Bond Interest Earned:		
Before deprec.	4.11	4.24
After deprec.	2.91	3.13
Earnings per Share and Dividend Record:		
Common: Earned	$1.14	$1.21
Paid	1.00	1.00

CONDENSED BALANCE SHEET		
As at Dec. 31:	1948	1947
Cash, call loans, etc.	$1,221,166	$1,800,347
Accts. rec.	696,911	665,959
Total curr. assets	1,918,077	2,466,306
Misc. assets*	1,177,400	1,313,494
Subs. inv. & adv.	6,182,671	6,182,671
Other invests.	26,500	31,500
Dep. re cap. exp.	2,000,000	2,309,973
Fixed assets	26,187,649	24,689,740
Total assets	37,492,297	36,993,684
Total curr. liab.	1,011,046	888,434
Consumers' dep.	127,260	111,264
Funded debt	16,784,000	16,963,500
Deprec. res.	7,454,924	6,931,148
Other res.	293,802	294,803
Capital stock	11,349,500	11,349,500
Surplus*	471,756	455,035
*Incl. ref. EPT	......	19,969
Working capital	907,031	1,577,872

MANITOBA POWER COMMISSION show net profit of $362,801 for year ending March 31, 1948. This is somewhat less than some previous years mainly because of rapid rise in labor rates and cost of raw materials and supplies, General Manager W. D. Fallis states.

Gross revenue was $2,900,527, compared with $2,312,886 for last comparable fiscal year, which ended Nov. 30, 1946. Change in commission's fiscal year end from Nov. 30 to March 31 resulted in a short fiscal period from Dec. 1, 1946 to March 31, 1947.

Capital invested in physical system, including working progress, increased by $3,886,362 and capital invested in material stores increased by $563,846.

Customers served were 40,069 at March 31, 1948, increase of 6,369 or 18.9% from March 31, 1947. Use of electrical energy increased 29.5% over preceding 12 months. Total electricity generated and purchased was 124,081,350 kwh.

DOUGRON GOLD MINES advises W. T. Davidson had purchased 250,000 shares at 7c and 3,507 shares at 10c prior to cancellation of agreement. Torcal Financial Corp. has optioned 800,000 shares at 10-20c. Authorized capital 3 million $1 par shares; issued, 1,316,512; escrowed, 900,000; filed Feb. 18.

MacMillan Export to Produce Bleached Sulphate at Nanaimo

H. R. MacMillan Export Co. will add a $3,750,000 bleached sulphate plant to the $13 millions pulp mill project of its wholly owned subsidiary, Nanaimo Sulphate Pulp Ltd. at Nanaimo, President H. R. MacMillan announces.

The mill will produce a high grade bleached sulphate which will be sold as raw material for high grade book papers, tissues, etc.

Intended to operate for some time producing only unbleached sulphate, it is now planned that from the outset the mill will make bleached pulp.

Additional expenditure to the plant on Vancouver Island will add to the employment of highly specialized technicians and will raise to more than 250 the number of persons regularly employed.

The refining process will not require a larger supply of raw material but will increase the per ton price realized for the product. Since pulp will be sold mainly in the United States, one result of this move will be to increase the amount of U. S. dollars realized by pulp exports.

Steel Available For Oil Pipeline

Arrangements for import of 40,000 tons of steel from U. K. will relieve domestic steel shortage sufficiently to allow Imperial Oil's application for steel pipe to construct a pipeline from Edmonton to Regina, about 490 miles. U. K. import plus other contracted steel supplies will be bought (at cost of $40 millions) for the project.

Pipeline, to be completed by end of 1950, will be 16 in. in diameter, with original pumping capacity of 40,000 bbl. daily. With more pumping facilities, capacity could be increased to 100,000. Pipeline will be a common carrier and, besides taking oil from any producers in northern Alberta who wish to use it, could supply refineries in Regina and Moose Jaw and any that might be built along the line. As Alberta oil production grows, there will be greater possibility of pipeline being extended to Winnipeg.

Can. Breweries Profit Up 4.7%

Canadian Breweries Ltd. sales for the three months ended Jan. 31, 1949, amounted to $21,880,626 as compared with $20,319,436 for the corresponding period of last year. Net profit was $1,544,266 ($1,474,133) representing share earnings of 70c and 67c respectively.

Working capital position shows an improvement at $9,744,480 as compared with $7,417,243. Funded debt of $19,050,000 is up from $15,309,440 while distributable surplus has increased to $12,330,495 from $9,810,826.

3 Mos. Ended Jan. 31:	1949	1948
Net sales	$21,880,626	$20,319,436
Oper. profit	3,637,203	3,128,319
Other inc.	41,264	88,980
Total income	3,678,467	3,217,299
Less: Deprec.	939,266	488,308
Interest	306,333	166,71
Income taxes	943,500	1,043,00
*Minority int.	56,898	45,141
Net profit	1,544,266	1,474,13

*Add in 1949, deduct in 1948.

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$350 per month plus taxes, heated store next to theatre in Kingston—20x100.
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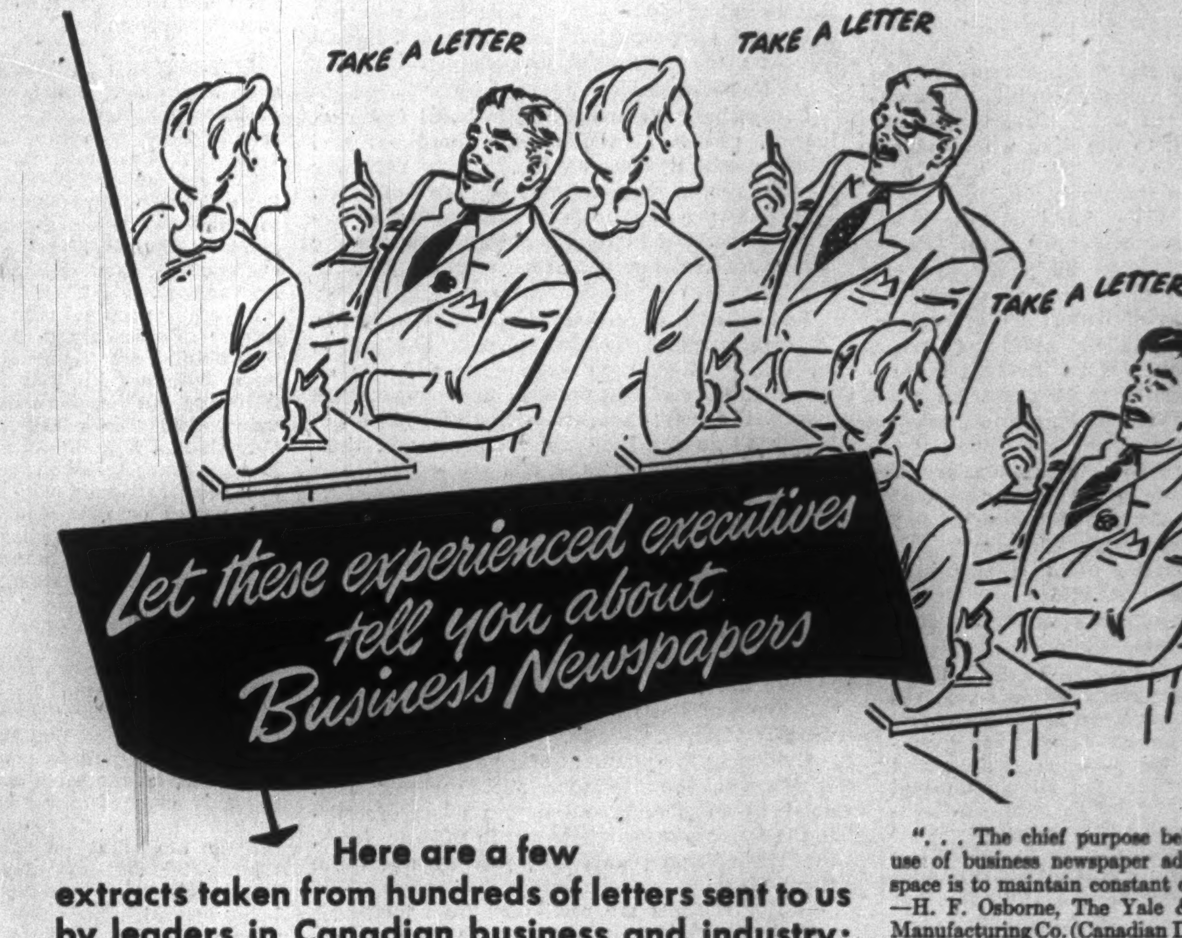
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". . . The chief purpose behind our use of business newspaper advertising space is to maintain constant contact."—H. F. Osborne, The Yale & Towne Manufacturing Co. (Canadian Division).

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"After all, a firm can only do business with its friends. A healthy business must be constantly increasing its circle of friends, and it is here that business newspapers offer the opportunity to accomplish that purpose." — K. R. Townsend, Canadian Westinghouse Company Limited.

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Teach History, Not Propaganda

Real Canadians who hope to see this country genuinely united will heartily applaud the sentiments expressed by L'Abbe Arthur Maheux at the Empire Club in Toronto last week. The distinguished president of the Canadian Historical Society, archivist of the Grande Seminaire de Quebec and professor of history at Laval University, sharply assailed the distorted history textbooks used in various provinces. He said:

> "More information should be given the English Protestant students, and better information ought to be available to the French Catholic student.
>
> "The French Canadians want to forget nothing of their past, and to use every little bit of history as a food for their national consciousness. The English, on the other hand, are comparatively indifferent."

As an example Abbe Maheux mentioned the efforts of French Canadians to obtain a Roman Catholic bishop after the conquest of Canada by the British. An English textbook, he claimed, would say simply that the French eventually got their bishop. A French textbook would devote two or three pages to the story, saying the British opposed the appointment and that the religious life of the French was threatened.

Correction does not necessarily lie in one standard history textbook for every school in Canada. To keep such a volume within bounds there might have to be sacrificed too much local history which has a distinct value and interest to various regions of the country. There is no reason, however, why main themes could not be treated with uniformity and where there are two views on any question both of these should be presented regardless of any clash with one section of local opinion.

To have one version presented in Quebec or Nova Scotia and another and distinctly different version in Ontario or British Columbia is not good enough. That sort of thing can only lead to confusion and greater segregation. Instead of teaching history we are simply spreading propaganda.

If we are to have the fullest co-operation between French and English speaking Canadians, if the citizen of British Columbia is to really understand his fellow Canadian in the Atlantic Provinces then each must know something of the other's history, of the problems of the past and of the great heroes of the past. That knowledge is not shared today for the simple reason that there is little in common in the history taught in the schools of the different provinces. Until we do that as Abbe Maheux pointed out "it is better not to mention national unity."

Where Do They Want It?

Years ago when Russia decided to build the Trans-Siberian railroad the Czar was asked to decide just where the line would be placed. Taking a ruler His Imperial Highness drew a straight line from Moscow to the eastern terminus at Vladivostock. Fortunately most of the country covered was flat and the engineers were able to carry out the Royal command over a great part of the route.

Ultimately Ottawa may be forced to adopt the same arbitrary tactics when it comes to laying out the Trans-Canada highway. Certainly if it heeds all the passionate pleas made by the scores of communities interested, the result will be the longest highway in the world and also the crookedest. The road would have to touch about every city in the Dominion.

Just the other day a Toronto spokesman put in a claim which would mean quite a detour on any route passing through Winnipeg and Montreal.

It is going to be difficult enough to get around the obstacles with which nature has so generously endowed the central portions of Canada. But if in addition the TCH must link up such widely separated points as Edmonton and Calgary and Regina and Saskatoon in the Prairie Provinces and, say, Cochrane, North Bay, Sault Ste. Marie and Toronto in Ontario, then we might as well go the whole hog and include Churchill and Aklavik, too.

There is not much sense berating Ottawa in this matter until the various municipalities have settled their differences.

For More Reasons Than One

The enlightening work being done by the Hoover Commission in the United States for the streamlining of executive functions of government may help to bring about greater efficiency in Ottawa administration, regardless of whether Mr. Hoover's recommendations are accepted finally by Congress.

Watson Sellar, Canada's Auditor General, makes a concrete suggestion along these lines in his report.

He cites the many statutes that require Cabinet approval before various administrative decisions can be carried out. This arrangement, of course, goes back to the days when cabinet ministers had time to handle the work now largely done by departmental officials.

No estimate has been made of how many times a year the Cabinet rubber stamp is currently wielded, but even 20 years ago the statutes listed 1,050 directions, of which half were purely matters of departmental routine.

For instance, cutting or removing maple trees from an Indian reserve involves a cabinet order; the Cabinet must prescribe what the RCMP is to pay for horses, saddles, harness and forage; if a peace officer is not available to take a convict from gaol to penitentiary, the transfer must be made by "an officer appointed by the Governor-in-Council and attached to the staff of a penitentiary for that purpose."

Mr. Sellar makes his point clearly in his report, despite the restrictions of language placed on even a top-rank civil servant in reporting to his employers:

> "Less than 30% of the civil service is located at Ottawa, therefore a consequence is a mass of paper work between field officers and headquarters. The present-day size and diversity of activities in the public service demand more than ever before that all questions of policy be determined by Governor-in-Council, but one may wonder if inordinate demands are not now being made on that body by reason of the multiplicity of subordinate matters requiring decision. In view of the fact that a revision of the statutes is being undertaken, an opportunity is available to revalue various obligations now resting on the Governor-in-Council, and it is solely for that reason that attention is drawn to the matter."

There is, of course, another reason: it should save a lot of money for taxpayers and cut out a great deal of red tape and quintuplicate folderol.

They Ignore Losses

Socialist orators and those who echo their sentiments love to dwell upon the gross returns of long-established and successful industry. Seldom if ever do they mention the risks and losses which precede any return, nor the heavy taxes which invariably accompany it.

In his address before the Vancouver Board of Trade Imperial Oil's President H. H. Hewetson did well to stress this background which the glib soapboxers so conveniently ignore.

Both Imperial Oil and the Province of Alberta are justly proud of the new and tremendously important oil developments in Western Canada of the last few months. Huge new wealth that will benefit all Canada is promised. But it wasn't any overnight discovery of sudden riches.

Mr. Hewetson pointed out that the present development only came after a long and costly search and many more millions may have to be poured into exploration, pipe lines and other facilities before maximum benefits can be obtained.

Leduc, the head of Imperial Oil stated, is the direct result of an exploration program that goes back to before the first Great War, 35 years of intensive and expensive hunting.

Said Mr. Hewetson:

> "Each of the last four Foothills wildcats cost on the average about $1 million, the average depth was over 12,000 feet. All of these wells were abandoned.
>
> "Up to the time of the Leduc discovery nearly 1,000 wildcat wells had been drilled in the plains without notable success except at Lloydminster where reserves of heavy crude were discovered; and so by February, 1947, when Leduc No. 1 came in, the effect of repeated discouragements was becoming apparent. There was less capital ready to risk and exploration was becoming less active.
>
> "The Leduc discovery turned on the heat again and since Redwater things have been even hotter. Today Alberta is one of the most active oil exploration areas in America and I have heard estimates that the 1948 oil-seeking and development expenditures there may be doubled in 1949. I know that our own expenditures will be materially increased.

Those are points to remember when we talk about developing Canada. This job is going to require capital, great chunks of capital, and there are bound to be risks and losses. Capital, however, is only prepared to face those risks and those losses so long as we let it share fairly in the profits.

Easy on Road Building

This is not the time to splurge on road-building, Ontario Highways Minister George Doucett advised the Ontario Good Roads Convention last week. With road construction costs at least double prewar, and cement, steel and labor still critically short in most parts of the country, this is sound advice.

True most sections of the country could do with more and better roads. At least it is fairly easy to convince ourselves that we need them. But to get them in any volume right now not only will prove mighty expensive but it will interfere with essential construction in other fields as well.

Everywhere we are trying to build factories, houses, power plants, schools, hospitals and other essential construction, which normally would have been spread over the last ten years. If to this war-delayed program is added an enormous increase in road-building, then we are asking for real famines in basic building materials like steel, cement and lumber.

Instead of risking that, municipalities, as Mr. Doucett suggests, would be well advised to keep a tight grip on expenditures. Later on when we have caught up with our war-deferred essential construction, municipalities will get better value for their road dollars and their orders will be appreciated, too.

Don't Shoot That Polar Bear

If you're in the midst of packing for a polar bear or walrus hunt, take time off for a moment to read this. Following our recent item gaily titled "Want to Fish or Shoot Polar Bears?" we have had a rather terse but highly informative note from R. A. Gibson, Deputy Commissioner of the Administration of the Northwest Territories, Canada.

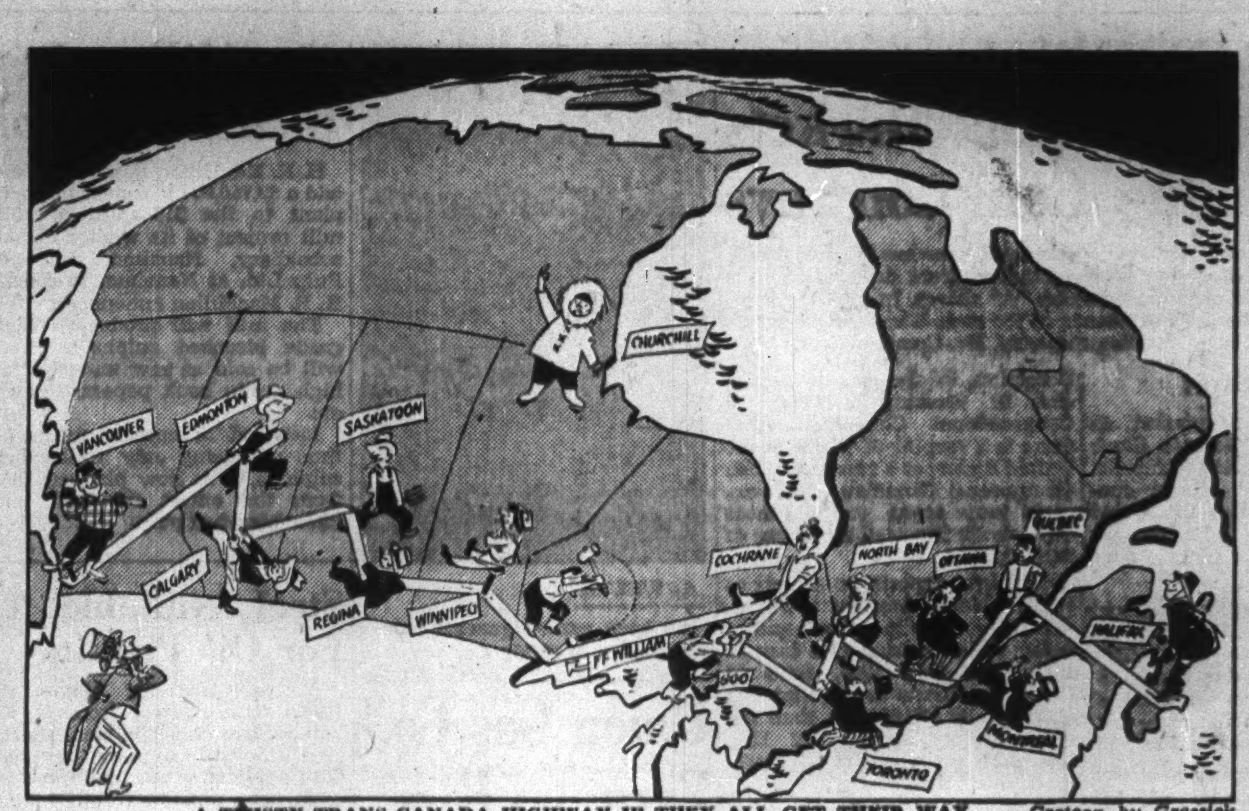
Evidently the planners of a new holiday club (that's what the article was about) were carried away in an adventurous dream when describing the prospcts for sportsmen in the Far North, for Mr. Gibson points out, politely but quite firmly that:

> Nonresidents are prohibited from hunting in the Northwest Territories, with one exception: game birds may be hunted in open season by nonresidents who purchase the appropriate license. Consequently, hunting polar bears by nonresidents in any part of the Northwest Territories, including all islands in James Bay and Hudson Bay, is unlawful.
>
> Walruses, especially important to Eskimos, are protected in Hudson Bay and Strait and all Canadian waters north thereof. No one other than an Eskimo or half-breed may kill one without a license from the Minister of Fisheries.
>
> Hunting wild geese and ducks by persons residing more than 25 miles from James Bay is prohibited at all times within five miles of James Bay's shore in Ontario between the Albany River and Cape Henrietta Maria.
>
> Unless you are an Indian, Eskimo or half-breed you may not hunt at any time on any James Bay Island.

Mr. Gibson makes no objection to the item in our story about salmon fishing near the east shore of Hudson Bay. But he does add the comment that "there are no salmon in James or Hudson Bays, or the rivers that flow into them."

The deputy commissioner says he will be glad to help at any time in making "an advance check respecting such matters in the Northwest Territories," and it seems a good idea.

Carry on with the packing, but forget the walrus and salmon—and don't shoot that polar bear. We believe the rest of our information was correct.



A TWISTY TRANS-CANADA HIGHWAY IF THEY ALL GET THEIR WAY. *Cartoon by Grassick.*

Napier Moore's Scratch Pad

A DAY OR TWO AGO, lolling in a motor car, we were driven to the bottom of a mine.

The driver was Ralph D. Parker, vice-president and general superintendent of International Nickel, a man of colossal energy, whose sense of humor makes him an ideal companion on a very wet and slushy day. The nickel mine was the Frood open pit, out from Sudbury.

The Grand Canyon of the Colorado is much bigger, but the Frood Open is the most spectacular hole we have seen. For it was made by man in 10 years. Fifty million tons of rock have been excavated. The cavity is over a mile long; 6,000 feet. From rim to rim, it is 1,600 feet wide. It is now 500 feet deep.

From the bottom we looked up at low, grey clouds clinging to the top of the bowl; at the ring of towering cliffs cleanly sliced by dynamite; at pigmy ore-laden trucks easily climbing the 8% grade of the wide road which spirals the pit's walls. At close range those trucks aren't pigmy. They are 30-ton Diesel-driven Gargantuas, with ten wheels. And each tire costs $400.

About us, looking like prehistoric dinosaurs in the mist, were power shovels, their jaws taking 4-ton bites of ore, gnawing deeper and deeper. And we knew that far below, in the deep workings of the subterranean Frood, men with drills were gradually mining up and up.

Fourteen years had gone by since, with Charles Vining, we spent an entire day toiling through the stopes of the underground Frood. We asked Mr. Parker how things below were getting on. "Oh, fine," he said. "We've got more than 250 miles of underground railway now."

• • •

ADVERTISED in Toronto's Globe and Mail and Vancouver's Daily Province, a notice by a firm of solicitors in Edinburgh has subjected us to hours of deep research.

The reason for this is that it contains Scottish law terms unfamiliar to Canadians — such as Multiplepoinding, pursuer, real raiser, condescendence, and S.S.C. after the firm's name.

Several people who consulted lawyer friends only to discover that they didn't know the meanings either, have, with a faith that is not only flattering but has immense nuisance value, said "Let's ask that fellow Scratch Pad Moore." As a result we, in turn, have telephoned a dozen of our lawyer friends who bear Scottish names or reasonable facsimiles thereof. And we have been shocked by their abysmal ignorance in the matter of the phraseology of their legal ancestors.

However, by picking up a clue here and a hint there, and by looking at the dictionary, we are able to supply some of the answers.

A Multiplepoinding is equivalent to an Interpleader in English law — a proceeding devised to enable a person, of whom the same debt, duty or thing is claimed adversely by two or more parties, to compel them to litigate the right or title between themselves, and so release himself from suits they might otherwise bring against him. Is that clear? The pursuer is the plaintiff. The real raiser is the holder of a property. Condescendence is the pleading of the pursuer in which facts material to the action must be set forth. It took 10 telephone calls to discover that S.S.C. means solicitors of the Scottish Supreme Court.

• • •

HOWARD P. ROBINSON, president of the New Brunswick Telephone Company, writing us about various matters pertaining to his native province, mentions a unique Rhodes Scholarship record. A. N. Carter, one of Saint John's leading attorneys, was a Rhodes Scholar. He has two sons at Oxford, both Rhodes Scholars. And Mrs. Carter's brother was a Rhodes Scholar.

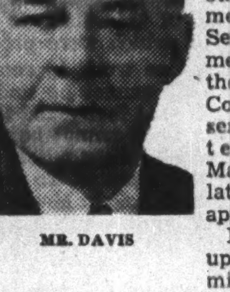
Mrs. R. Y. Eaton, of Toronto, a sister of Mrs. Carter, tells us that the Rhodes trustees have checked and found no parallel for this family achievement.

• • •

NOT SO LONG ago, a Toronto dry-cleaning establishment ventured into the shirt-laundering business as a sideline. This, it would seem, is having some effect on competitors. It has been reported to us that a truck belonging to a rival dry cleaners bears a sign reading, "For the best laundry in town go to the Chinaman around the corner.

Post Scripts

Manitoba's New Senator



MR. DAVIS

Manitoba's new member of the Senate is the only one of six from his province who has never been accepted or rejected by the people in an election. Caswell John A. Davis never sought public office. Four of the other Manitoba members of the Senate are former members of the House of Commons. One served a long term in the Manitoba Legislature before his appointment.

First claims upon a prime minister in making an appointment to the Senate are traditionally those for party services already rendered. On this basis, Davis is conspicuously eligible.

From 1928 to 1936 he was president of the Manitoba Liberal Association. For 12 years he was chairman of its organization committee and from 1935 to 1940 he was chief organizer for his party in Manitoba. He still keeps a close eye on its organization work.

For five of the eight years he was president of the Manitoba Liberal Association, the standing of the party in Manitoba was at a low ebb. When Mr. Bennett led the Conservative party to victory in 1930, party bigwigs started to look for a capable wheel horse to restore the party fortunes. Davis undertook the task: his political colleagues thought him a natural for the job.

The party came back to its own in the election of 1936. The ranks of its Ottawa members have been thinned since, mainly by the CCF, but both federally and provincially it has since been the dominant party in Manitoba politics.

Should the Senate ever go arty, Davis will be one of the reasons. Ever since he was an engineering student at McGill he has been expressing his eye for perspective and form on canvas. His crayon and sketch work is in fact his main hobby. His pictures have been shown at exhibits of the Winnipeg Sketch Club, a concession unusual for Davis because he is publicity shy.

He rarely talks about things which concern himself. He even declines to permit a brief biography for "Who's Who," an aversion he may have to abandon now that he is in the Senate.

A Roman Catholic of Irish United Empire Loyalist descent, Davis fills the Senate vacancy following the death last year of Hon. J. P. Molloy.

Born in Montreal in 1880 he got his B.A. degree at Montreal University and later a B.S. engineering degree at McGill. He is now president of the Winnipeg branch of the McGill graduate society.

In private business he is president of J. C. Davis Ltd., engaged in sale and installation of automatic sprinkler systems.

• • •

Thompson for Thomson

MR. THOMPSON

An outstanding biologist, Walter Palmer Thompson, who was recently appointed president of the University of Saskatchewan to succeed Dr. James S. Thomson, is credited with experiments in rust research which in large measure resulted in the eradication of that dread scourge of Western wheat crops. Elimination of rust, through use of Thatcher wheat, has resulted in literally millions of dollars saved to agriculture. Dr. Thompson is also recognized as an authority on genetics and the chromosome base of cereals.

That introduction should serve to prove that the choice of Dr. Thompson was one well received in Saskatchewan, which still is, and will be for many years, largely dependent on agriculture. The president-elect has a string of academic honors to satisfy the most discriminating.

A quiet, unassuming man, friendly and respected by all students, Dr. Thompson has devoted most of his life to study. He has played golf, has toyed with bridge, and pottered around in his garden, but it is the test tube, with its scientific findings, which has taken up most of his spare time.

He is married, has a son—Dr. J. S. Thompson of the medical faculty at the University of Western Ontario—and a daughter whose husband is a staff member of the University of North Carolina.

He graduated from the University of Toronto in 1911, went to Harvard and then studied botanical problems in Java and the East Indies. Following that he came to Saskatchewan and since then has headed the biology department there. Born at De Cewsville, Ont., in 1889, he was raised on a farm and seldom in the intervening years has he been far from agricultural problems.

Since he is 60 years old now, he has only five years before him as president, but those who know him best are certain these years will be fruitful for the U. of S. He is a member of the American Genetics Society and was chairman of the section on cereals of the International Genetics Congress at Edinburgh in 1939.

Originally this conference was slated for Moscow and Dr. Thompson had been asked to open the conference. However, the Moscow organizers were purged and the conference transferred to Edinburgh.

• • •

Man of the Road

MR. COCKBURN

Frank M. Cockburn, new head of the Commercial Travellers Association of Canada, comes well fitted to his office; he has spent the last 50 years in the selling field.

Cockburn, a native of Toronto, started as a young man in the wholesale millinery line with a firm founded by an elder brother. In 1896 he transferred to the jewelry business of P. W. Ellis Co., headed by M. C. Ellis, president of the Association from 1901-03.

Three years later Cockburn went "on the road" for Ellis, has been a confirmed salesman since. In 1907, he formed his own jewelry business; 13 years later sold the wholesale end of it, to operate as a manufacturers' agent in the jewelry line.

Cockburn has traveled extensively in Europe, the U. S., and Canada, has had little opportunity to develop more leisurely occupations or hobbies. He is a Scottish Rite Mason.

In assuming presidency of the Association, Cockburn will take an active part in promoting Canada's traveling salesmen. Membership in the Association is restricted to bona fide commercial travelers selling goods to merchants for future delivery and only for resale.

Stop Me If—

The little missus put her arms around her hubby's neck, smiled sweetly and delivered this bit of female financial logic.

"Honey, will you lend me twenty dollars but only give me ten of it? Then I'll owe you ten, and you'll owe me ten, and we'll be even."

• • •

It happened not far from Piccadilly Circus, in one of those men's barber shops which have the accent on glamour.

The customer was the West-end playboy type, and his manicurist was extremely pretty. Followed the usual badinage . . . and then the young man said: "Will you have supper with me tonight—and then maybe a night club?"

"I don't think I should," said the girl. "I'm married, you see."

But the playboy was the self-confident, high-humored, marriage-mustn't-mean shackles type.

"Nonsense! Ask your husband, I'm sure he won't mind."

"Ask him yourself," said the girl. "He's shaving you."

What Others Are Saying

Editorial of the Week

Royal Commissions

Windsor Star

There are royal commissions which are necessary, and which serve a purpose which could be served less effectively by any other procedure. We have in mind the Royal Commission on espionage, that on federal-provincial affairs, and the current one on charges brought by a provincial police officer against his superiors and a crown attorney.

But, there will be a wide measure of agreement with Ontario Liberal Leader Farquhar Oliver's comments on royal commissions in general. All too often they are appointed to save a government the embarrassment of dealing with an issue directly. All too often, also, if the recommendations of such a committee are not in line with government policy they are pigeon-holed and forgotten. Government files are cluttered up with reports of royal commissions, and other commissions, the only value of which has been to accumulate dust.

If governments are to appoint royal commissions and, at times this is advisable, they should be prepared to adopt the recommendations. Otherwise the commissions are a waste of money.

Other People's Views

IF PREMIER DUPLESSIS carries out his reported intention to ban margarine in Quebec, then, says the **Ottawa Citizen**, "his action will provide another example of the abuse of those "provincial rights" about which there is so much political clamor these days."

EFFECTIVE DEMOCRACY, points out the **Midland (Ont.) Free Press Herald** "requires free competition and free enterprise at all levels. There is certainly room for trade associations in business, just as there is a definite place for unions, and co-operatives. But there is no room in this nation or any other free country, for groups of businessmen, agriculturalists, or labor leaders, who would band together to enforce the standard of least efficiency and highest cost."

INCREASED REVENUES mainly from oil development will allow Alberta to increase old age pensions without increased taxation. Comments the **Regina Leader-Post**: "It must be a bit disconcerting for the Saskatchewan government, which has long placed social services in the forefront of its program, to note that this increase in Alberta comes as a direct result of private capital being given a fair opportunity to develop that province's natural resources."

UNION WITH NEWFOUNDLAND cannot be valued in dollars and cents, states the **Halifax Chronicle-Herald**: "who can say what it may be worth to achieve politically the geographic logic of making Labrador and the Island of Newfoundland proper part and parcel of that portion of North America with which they are naturally associated? Who can say, what it is worth to Canada, for security reasons, to have this territory as its own? Who can accurately estimate what it means to Canada to acquire the vast natural resources which the union brings within the Dominion? These are things which challenge exact calculation, but they are real none the less."

NO PARTY can hope for power in Canada without the support of Quebec, says the **Quebec L'Action Catholique**, in a special warning to the CCF. "History is there to prove it. Every time the Conservatives got into power they elected a good number of candidates in Quebec. The same thing is true of the Liberals. If the latter governed the country almost without interruption for 25 years it was due, generally speaking, to the encouragement they received from Quebec. Only once did it happen that the government of the day was elected contrary to the will of this province. That was in 1917 and then it was necessary to form a Conservative-Liberal coalition government."

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March 5, 1949

This Union Caught Up On Reds

How Auto Workers' Local Cleaned Up Leadership

As it must in all unions, democracy has finally caught up with pro-Communist leadership in CIO Auto Worker's local in McKinnon Industries, St. Catharines, Ont.

Last week Red leadership, which had led 2,600 McKinnon workers into a four-month strike last summer, was just an ideological memory. Annual election of officers saw every last one of them voted out.

Only one nominee on the Communist-endorsed slate was elected—William Race, newcomer to union office and not known to be a Communist. Key Red Lloyd Hawke, who last year was on Communist LPP provincial committee, lost his vice-presidency to CCFer Allen Schroeder.

Purge was culmination of months of dissatisfaction and Red-fostered dissention following initial exposure in The Financial Post (Oct. 23) of leadership's Communist leanings.

Doubt Raised to Certainty

McKinnon workers backed the strike 100% but many had their doubts about its wisdom. The longer it dragged on, plus the Red pattern cut by leadership, raised doubt into certainty. Complete disillusionment came when the union settled for only a fraction of a cent more than they could have had early in the dispute.

As soon as the plant began humming again, the anti-Communist element, finally aroused, went to work in earnest organizing an anti-administration movement. Showdown was to be annual election of officers.

Anti-Communists nominated a full slate and published it under the heading: "There are no Communists on this slate." Another announced: "Now is the time to eliminate Communist leadership in our union," adding that they stood for:

(1) full co-operation with Canadian Congress of Labor, Walter Reuther, and the International in carrying out UAW's 1949 program;

(2) end to smearing sister unions. "Let's have unity and friendly relations," referring to Communist attack on CIO Steelworkers;

(3) allegiance to the British Commonwealth and rejection of any ideology that "has a trend to divide us."

See Through "Commie" Line

Pro - Communists countered with a slate of eight, urging workers to "vote to keep your union united." They tried to capitalize on having opposed the UAW "escalator clause" which gears General Motors wages in U. S. and Canada to cost-of-living index, and which last week resulted in a 2c-an-hour paycut in U. S. However, McKinnon workers refused to fall for the it a second time.

Over half those eligible, voted. They elected: Art McGarr, president; Schroeder, vice-president; William Race, secretary-treasurer; George Bennet, sergeant-at-arms; Harry Gavins, guide. A runoff is necessary for the two trustees. Of these, only Race was on the Communist-approved slate.

Defeated were: Charles Williamson, last year's plant negotiating committee chairman and a strike ring-leader, who was seeking presidency; Communist Hawke, seeking re-election as vice-president; Agnes Kuderian, recording secretary; Lorne Bigford, guide; Carl Smith, sergeant-at-arms.

Last year's president, Ernest Wheatley, did not seek re-election "for personal reasons." However, he issued a pamphlet endorsing the Communist-sponsored slate 100%.

At the same time a Reuther anti-Communist slate won all positions in the big UAW local at General Motors in Oshawa. Members of last year's executive led by President Wesley Grant were all re-elected. However, the Communists' presidential nominee, William Rutherford, polled 718 votes against 933 for Grant Another Communist-supported candidate, J. Turner, lost in his bid for a trustee's job.

Que. Budgets Lower Revenue Small Surplus

MONTREAL (Staff) — Some of the uncertainties of government budgeting were indicated in the Quebec budget speech by provincial Treasurer Onesime Gagnon last week.

For 1948-49, Mr. Gagnon indicated that revenues would be approximately 36% higher than last year's budget estimates; ordinary expenditures including public debt service approximately 22% higher than estimates and capital expenditures 295% more than anticipated last year. All in all, it appears that 1948-49 was about the biggest financial year Quebec ever had.

Looking into 1949-50, Mr. Gagnon estimates the province's revenues will be $176.6 millions. Charged to this is an estimated $145.2 millions for ordinary expenditures which would leave a surplus ordinary account of $31.4 millions. Out of this, capital expenditures of $31.3 millions will be met, leaving only a nominal surplus of about $150,000.

Net result of the miscalculations in last year's budget estimates is that instead of showing a nominal surplus in 1948-49 Mr. Gagnon anticipates a net deficit of approximately $25.7 millions. This deficit in part accounts for the sale of $35 millions of Province of Quebec 3% sinking fund debentures.

Revenues for 1948-49 are placed at $193.9 millions, which compares with $142.4 millions estimated in last year's budget. Ordinary expenditures are expected to total $153.2 millions ($125.1 estimated) and capital expenditures $66.4 millions ($16.8 millions estimated).

On the expenditure side, roads got the lion's share at $63.6 millions or almost $40 millions more than estimated. Other big spenders were health $25.3 millions; social welfare $18.4 millions; education $14.3 millions; public works $15.5 millions; public debt charges $16.9 millions and colonization $12.3 millions. Corporation income tax represented the big revenue item in 1948-49 at $47 millions; gasoline tax $29.6 millions; sales tax $14 millions; Succession duties $11 millions; motor vehicles $13.3 millions; education fund $17.7 millions; liquor commission $17.7 millions and natural resources $14.9 millions.

In the estimates for 1949-50, Mr. Gagnon is budgeting for revenues of $176.6 millions. Most significant reduction in revenues for the forthcoming year is that shown in the education fund.

B. C. to Reclaim Skiers From U. S.

From Our Own Correspondent

VANCOUVER — British Columbia is going into the business of winter sports in a big way. Reason: tough competition just across the border.

Thousands of young B. C. skiers and other outdoor enthusiasts, mostly from Vancouver, motor to Washington state in only two hours every week-end to towering Mount Baker's year-round snow-clad slopes. Meanwhile, across the terminal city's harbor, the natural ski-runs of Vancouver's mountains remain untrammeled.

Lands Minister E. T. Kenney announced in the legislature at Victoria the other day that the Government has allotted $328,000 to complete a road up Mount Seymour, only eight miles from Hotel Vancouver.

And next year, the Government will build a lodge to provide meals and overnight accommodation. Then, in 1951, a chair-lift for skiers is to be built. Plan includes laying out ski-runs as part of a long-range development program for Mount Seymour Park. When job is complete, it's expected the park will draw dollars even from south of the border.

B. C. Looks to Record Year Financing by Government

VANCOUVER—British Columbia will spend more money and collect more money during the coming year than at any time before in history.

Finance Minister Herbert Anscomb, in his budget speech on Feb. 25, estimated, for the fiscal year ending March 31, 1950, revenue on current account of $92,980,590; expenditures on current account of $92,308,019. This indicates a current account surplus of $672,571.

Revenue is $15,364,280 higher than the amount of $77,616,310 estimated for the year ending March 31, 1949. Expenditure is $7,880,708 higher than a revised estimate of anticipated expenditure for 1948-49 of $84,427,310. (Last year's budget estimate was $77,442,369.) The estimates are substantially higher than the current revenue of $67,077,739 and current expenditure of $63,475,697 for the fiscal year ending March 31, 1948.

B. C.'s net debt at Dec. 31, 1948 totaled $127,625,937, an increase of $5,219,750 in the year. The gross debt totaled $178,089,580, up $12,386,921 in the year.

There will be no decrease in taxation. The province will still retain the amusement and gas taxes and other levies.

Public Works Program

Mr. Anscomb based continuing taxation on the fact that the people of B. C. are demanding more services, the province is growing rapidly and there is a huge program of public works coming up, which was outlined by Premier Byron Johnson two weeks earlier.

There are also signs of a certain slackening, and he did not think that revenues might stay at this high level.

Already per capita expenditures on liquor are dropping, there are fewer people attending theatres, less betting on horses, and the exports of fruit, lumber and fish to the United Kingdom have been cut.

At the same time as the Government is spending its record income, it is preparing to borrow $78,750,000 for its vast expansion program.

$5 Millions on Trans-Canada

Highlights of Mr. Anscomb's budget speech included:

Net debt of the province has been cut from $177.74 per capita seven years ago to $117.95 today. This represents an amount of $127,625,936, and according to the Finance Minister is "not an undue burden."

B.C. is allocating $5 million toward the province's share of work on the Trans-Canada Highway.

Also, $1,250,000 is being put up toward the Dominion-Provincial flood control plan on the Okanagan Lake.

Aid to municipalities has been increased from $2,965,000 in 1941 to $21,890,000.

Cities in B. C. will get $4,600,000 from their share of the province's 3% sales tax instead of $4 million as promised. Next year they should get $6 million.

Demands for more public services, and increased costs of everything have boosted all departmental expenditures.

Among the expenditures allocated to various departments are some which will mean that work will start very soon on large capital projects in the province.

Power Project

A $5.5 million interest-free loan to the B. C. Power Commission, will give this provincial power company, the go-ahead signal on its new hydro project at Quesnel. This will provide power for a large new pulp mill there, as announced by Premier Johnson. (Names of the interests building it have not yet been announced.)

Loans that total $10 million are going to the provincially-owned Pacific Great Eastern Railway for extension of its lines from Quesnel to Prince George, and a highway linkup between Vancouver and its other terminus, Squamish. Work on this project is expected to start as soon as the weather permits.

Other work will begin on the vast road program for which $35 million is being borrowed.

Other moneys will go toward a large school, hospital and public building program.

Sales Tax Revenue

To British Columbians the most interesting, but not the best-liked part of the budget was sales tax figures.

This tax, introduced last summer, caused a great deal of comment, some opposition, and universal recognition when it started, but now has left most of the public resigned to accepting what many term it a "necessary evil."

Although the original estimate was that the sales tax would bring in $12 million, five months after it started on July 1, 1948, the government had collected $8,566,550.

This would bring in approximately $14 for the government's fiscal year ending March 31 and $18 million or more for the next fiscal sales tax year.

Mr. Anscomb said that the increase of revenue over expectations was caused by the use of Dominion Bureau of Statistics reports which were three years old, and have since proved much lower than sales actually were.

Also the same governmental experts did not think that there would be such a huge increase in trade that took place last year, nor did they figure the fact that retail sales taxed by the province cover a much wider field than those used in the Dominion statistics.

Who Pays the Tax

Those who pay the tax were given in a breakdown by the Finance Minister.

From retailers, he said, comes 60% of the revenue. Wholesalers collect 12%, manufacturing industries pay 11%, services 5%, public service 6%, and the remainder from other sources.

"It is a reasonable assumption that only from the retailer, services, and public service classifications can any large measure of tax be obtained that falls upon the general consuming public as distinct from business and industry.

"Those three items are 71% of the total collections and while no accurate estimate is possible of the extent to which this classification falls on the general consumer, indications are that close to one-half of sales by these classes falls upon commercial or industrial enterprises.

"Admittedly, this is a rough estimate based upon very short experience, but it does tend to bear out the original belief that the direct burden of this tax on the general public was greatly overestimated by those who opposed the measure."

COMPANY REPORTS

GENERAL TRUST OF CANADA gross income was $316,909 for 1948 ($309,139 in 1947). After deducting operating expenses of $187,567 ($168,493), provincial taxes of $7,581, federal income tax of $28,882 and contribution to employees pension fund of $5,930, net profit was $86,947 ($90,380).

Company transferred $10,000 to investment depreciation account. Dividends of $55,000 were paid on preferred stock. Surplus of $21,947 increased that account to $114,920.

"Though the value of assets in safe keeping has for special reasons decreased by $7,820,090, the value of administered assets is increased by $5,643,445," Senator Donat Raymond, president, states.

Assets under administration were $78,353,261 at year end. ($72,709,816). Assets in safe keeping were $42,077,361 ($49,897,451). Guaranteed accounts were $3,752,666 ($3,872,455).

Duluth Building was acquired at a "satisfactory price"; important alterations for remodeling company's offices were proceeded with for many months.

Notary J. A. Trudel of Three Rivers was elected a director.

STADACONA MINES (1944) LTD. reports operating profit of $27,543 for month of January. Gross production was $81,687 from 11,730 tons milled, giving an average grade of $6.96. Cost-aid for the month is estimated at $6,800.

For March Investment . . .

Security	Rate	Maturity	Price*	Yield
Dominion of Canada	3 %	Oct. 1, 1959/63	101.25	2.86%
Canadian National Railways. Dominion Guaranteed	3 %	Jan. 3, 1961/66	100.625	2.94%
Ontario Hydro Commission Ontario Guaranteed	3 %	Dec. 15, 1963/65	99.625	3.03%
†Province of Quebec	3 %	Mar. 15, 1963/65	99.50	3.04%
Province of Nova Scotia	3¼%	Nov. 15, 1961/63	101.50	3.11%
Province of New Brunswick	3½%	Feb. 1, 1965	99.50	3.54%
Province of Saskatchewan	3¾%	Oct. 1, 1961/63	97.25	4.00%
Bell Telephone Company of Canada	3¼%	Feb. 15, 1973	102.50	3.10%
British American Oil Company, Limited	2⅞%	Sept. 1, 1957-66	98.00	3.06%
British Columbia Electric Company Limited	3¾%	Feb. 1, 1969	99.00	3.82%
Canadian Oil Companies	3¼%	Apr. 1, 1962	99.50	3.30%
Massey-Harris Company, Limited	4¾%	Aug. 1, 1963	101.50	4.60%
Shawinigan Water & Power Company	3½%	Oct. 1, 1973	99.50	3.53%

*Plus accrued interest in each case.
†If, as and when issued.

We, as principals, offer the above securities subject to confirmation.

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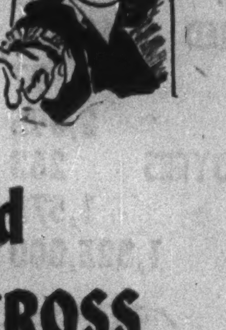

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When disaster strikes, you are there with food, clothing and medical aid. In isolated districts where the doctor is beyond reach, you establish Outpost Hospitals. You provide free blood transfusions; set up additional blood donor clinics. You teach first aid, swimming and water safety. You operate Red Cross Lodges at Military Hospitals, so that wounded veterans have a place for recreation and for receiving their relatives and friends.

::: You become a partner in all the missions of mercy carried out, in peace as well as war, by Canada's skilled, devoted Red Cross workers.

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RCA Victor Super-Turnstile TV Antenna mounted atop RCA Victor FM Heavy Duty Pylon Antenna.

All-Electronic
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Step by step RCA Victor brought together the elements that made today's all-electronic system of television possible, amassing knowledge and experience unapproached by any other organization in the industry. Here is the evidence of RCA Victor's leadership in action — a leadership you can call upon for advice and guidance in your preliminary television planning.

1921
A definite programme of television research was blocked out and set in motion by RCA laboratories.

1929
Dr. V. K. Zworykin, RCA scientist, developed the picture tube or Kinescope, now universally used in television receivers.

1930
RCA began operating the first experimental television station in New York — NBC's W2XBS — pioneering in the televising of sports, news, drama and political conventions.

1937
RCA developed mobile television equipment, making possible the remote pickup of news, sports and other events.

1939
RCA Victor demonstrated television at the New York's World Fair and in Canada at the Canadian National Exhibition (and again in 1947 and 1948).

1941
RCA developed automatic television relay stations for network telecasting and long-distance pickups.

1945
RCA developed the supersensitive Image Orthicon, or camera 'eye' that produces brighter pictures under any lighting conditions.

1948
RCA Victor commenced Canadian production of TV home receivers, set up complete TV Test Equipment, including a transmitter, to pretest and prealign receivers on all authorized channels.

To those who are planning Canadian Television Stations, RCA Victor offers the full store of practical knowledge it has gained over the last three decades of pioneering leadership in television research, engineering, broadcasting and manufacturing. Call in your nearest RCA Victor Sales Engineer or write to Engineering Products Division, 1001 Lenoir Street, Montreal.

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ABOUT YOUR TAXES By STUART THOM, LL.B.

Income Tax Regulations Published in New Order

Regulations under the Income Tax Act have been published in the Canada Gazette as follows:

Part I—Tax Deduction—Sections numbered 100-108 and Schedule.

Part II—Information Returns—Sections numbered 200-207.

Part III—Capital Element of Annuity Payments — Section numbered 300.

Part IV—Consolidated Returns —Sections 400 & 401.

Part V—Non-Resident Owned Investment Corporations — Sections numbered 500-502.

Part VI — Definition of Corporation Tax paid to a Province or Municipality—Section numbered 600.

Part VII—Taxes on Income from Mining & Logging Operation—Section numbered 700.

These Regulations do not appear to incorporate any new principles but are a re-statement of Regulations which have been published under the Income War Tax Act plus, in some instances, formal expression of Departmental practices and provisions previously contained in the statute itself.

A Welcome Change

No doubt there are other Regulations to come but the general framework in which they will be set can be appreciated from those already published. Arranged in consecutive Parts, each Part with its own series of numbered sections, the Regulations will have sequence and order which was conspicuously lacking in Regulations under the old Act and which will be welcomed by all who have occasion to refer to them.

The Regulations already published appear in Part II of the Canada Gazette, Statutory Orders and Regulations, issue of February 9. They do not appear to have been published as an Extra in pamphlet form although the Tax Deduction Schedules can be detached from the other material and used separately. It is to be hoped that the Tax Department will provide and maintain a stock of Regulations in pamphlet form for the use of the public, accompanied by an authoritative list of those which have been published.

New Deal in Income Tax

Taxpayers who have been looking forward to a new deal in income tax are finding that their hopes are being realized, although they may not yet be quite aware of the nature of the changes which are taking place.

After years of agitation and criticism there is a new Income Tax Act, which will be administered by a new Deputy Minister, who has behind him a re-organized staff of officials, better paid and better trained than ever before. It is just possible that a great deal of the criticism in other days was against paying taxes at all and that only a very few of the total number of taxpayers had any real ground for complaining against the administration or the statute. Looking back, it is also possible to see that in comparison with the new Act the old law allowed considerable scope for individual initiative in devising ways and means of enjoying that little bit of income free of tax. It may not have been much in dollars but it meant a great deal in personal satisfaction.

More Vigorous Administration

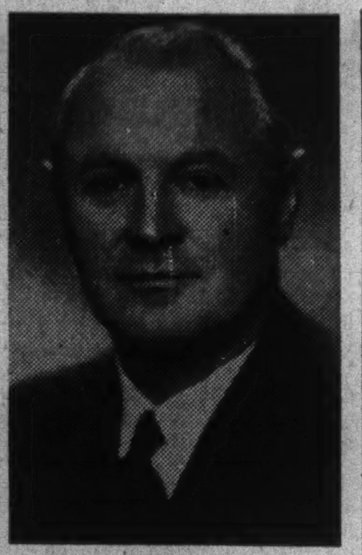
The signs are pretty clear that there will be a more vigorous, even-handed and searching administration of the new law. The net is being thrown wider and the mesh is smaller. The policy and method of taxing tips received by waiters in beer parlors announced in the press a few weeks ago is a case in point. A directive from the Deputy Minister, although not on the same subject, indicates the same approach to the individual taxpayer. Numbered 241 and dated January 13, 1949, it reads as follows:—

"A payment by an employer because of the sickness, accident or death of an employee is income of the employee under Section 3 of the Income War Tax Act or Section 5 of the Income Tax Act and should be reported by the employer when filing his T.4 return.

"When the above income is paid after the death of the employee it is subject to tax in accordance with the provisions of Section 11 (4) (b) of the Income War Tax Act or Section 59 (2) of the Income Tax Act."

The noteworthy point is that payments on which tax must be paid are not only payments to the employee himself but to others for the benefit of the employee. Literally applied, it could extend beyond the field of what has up till now been ordinarily regarded as taxable income.

Section 5 of the new Act, however, which defines the income of an individual, is much broader than Section 3 of the old Act. The directive is supplemental to the statute and taken together they will catch payments which hitherto may have been regarded as non-taxable extras.



HUGH H. LAWSON

has been appointed a director of Canadian Industries Ltd.

Canadian Exporters Protest BWI Trade Pact 'Farce'

What's happening in our "secret" agreement with Britain on Canadian trade with British West Indies whereby the market for a wide range of Canadian manufactured goods would be reopened on a "token" basis?

Exporters are protesting that the plan (announced Jan. 4) which promised "substantial relief" in their badly-hit trade with the colonies, has turned out to be a farce, the dollar allotments made to the colonies by the U. K., a "fleabite."

Some are suggesting "the whole scheme is just another stall by the British"; "the British are giving us just a little more kidding"; "the British put one over on Canadian and U. S. manufacturers." In particular it's claimed that Bermuda is not included in the scheme.

Trade and Commerce officials deny the general allegations, maintain the plan is being carried out as agreed. But they have promised to take another look, and negotiate with the British on the basis of exporters' complaints.

Object of the plan (The Financial Post, Jan. 8) was to reopen markets in Bahamas, Barbados, British Guiana, British Honduras, Jamaica, Bermuda, Trinidad; Leeward and Windward Islands for Canadian exporters in 50-60 manufactured lines import of which had been prohibited or seriously restricted through the general dollar crisis in the sterling area.

To achieve this, Britain agreed to allocate to the colonies an undisclosed sum of dollars which each individual colonial administration could use as it pleased for purchases in any dollar country (thus the market is also reopened for U. S.).

While the general list of goods to be allowed in under the scheme was drawn up, each colony was also given authority to add other items at its own discretion.

But, say Canadian exporters, it just hasn't worked out.

Said W. D. Jewett, Canadian Exporters Association president (and Dominion Bridge export manager), when scheme was announced: "a fine New Year's present for several hundred Canadian export firms."

Said Mr. Jewett last week: "I cannot help but be concerned . . . almost daily someone comes up with a yarn they heard on good authority and all of these seem to indicate that the actual amounts involved are inconsiderable."

What Canadian Agents Report

From the colonies themselves agents of Canadian firms have reported:

British Guiana: This (plan) is no gratifying news, the amount of dollars does not amount to much. We personally think this is just a stall.

We gather the amount of dollars is nothing to speak of—in many cases individual buyers will not be able to make use of the items on their quotas as the transportation charges will be too excessive.

Bermuda: Restrictions as far as this colony is concerned will be continued without change at least for the time being. We are in no better position to resume prewar imports.

Trinidad: At a recent meeting with our Controller of Imports we were informed that this allocation of dollars could only be considered as a token and a gift from Santa Claus. The trade here does not expect very much from these relaxations.

Barbados: We are sorry to dampen your cheery optimism but we have been advised by authorities here the amount of exchange has not been noticeably increased, merely that a larger variety of imports is now permitted. The Comptroller of Customs has referred to the proposed relaxations as "distinctly disappointing." U. K. Trade Commission in Trinidad has referred to relaxations as merely "resharing of the same sized cake."

Supposed release of hard currency is a farce as the small amount has to be divided among so many importers. Our allocation for Canadian whisky for example is $48!

What T & C States

What do Trade & Commerce officials say about all this?

Says Hubert R. Kemp, director of commercial relations, Department of Trade & Commerce:

1. Plan is being maintained and carried out as agreed.

2. Some local authorities have not yet made known allocation they are prepared to make for individual importers and products. Some of them are taking their time to look over the whole situation before committing additional sum placed at their disposal.

3. As to reports Bermuda is not included, it is our definite understanding Bermuda is included; we have written to London to have this misapprehension corrected.

4. This scheme is not intended to restore Canada's trade in the items concerned to the volume attained in 1946. Number of dollars available is not sufficient to make this possible. Although falling short of most favorable postwar experience, it will at least enable Canadian exporters to resume sales of articles previously prohibited, place some of their goods on the shelves again, keep their names before the public. Important thing is not immediate volume, although this is considerable and compares very favorably with token import scheme put into effect by the U. K. itself. Most hopeful aspect of scheme is that facilities are now available by which connections can be kept alive, pending more general improvement in situation.

5. While many exporters have reported critically on the plan, many other exporters have benefited and have so informed Ottawa.

In The Meantime

Meantime, actual dollar allocation involved is still being kept secret, in deference to U. K. authorities who feared repercussions in Britain and Washington if amount was made public.

Meantime also, many exporters, according to CEA general manager John Marsh, remain unreassured.

And it's expected CEA will now press more vigorously at Ottawa for token import action in the case of Australia, New Zealand, India where exporters also are being badly hit by the dollar crisis in these countries.

COMPANY REPORTS

FIRE INSURANCE CO. OF CANADA reports that after providing for an increase of $27,333 in unearned premium reserve net profits in 1948 were $29,219 ($67,489 in 1947). Net premiums were $17,089 higher at $481,080 and the loss ratio 54.68% (42.30).

Experience in the fire insurance business in Canada continues to cause concern. Cost of materials and goods continues to mount; despite a greater percentage of insurance to value and a consequent greater premium income, losses continue to reflect much the same experience as in previous years, and the cost of operating the insurance business has not escaped this upward trend, stated President J. A. Biondeau. Present premium rates are inadequate, he indicated. Total assets and surplus show increases over 1947.

	1947	1947
Net premiums	$481,080	$463,991
Int., divds. etc.	55,511	55,723
Claims pd. & outst'g	263,064	196,219
Net profit	29,220	67,489
Pd. shareholders	30,000	30,000
Liabs. to public. incl. unearned prem. res.	701,829	652,536
Total assets	2,069,463	2,056,825
Pol'holders surplus	1,202,633	1,199,288
Unearned pr em. res.	409,512	382,179

CANADIAN INDEMNITY CO. in its 37th annual meeting reports the best year in its history. Gross premium income was $3.9 millions, up $749,297 over 1947. With reinsurance deducted, net premium income was $2.9 millions, up 18.1%.

After all deductions for increase in unearned premium reserve, losses and adjustment expenses, taxes, general expenses of management, etc., the balance carried to credit of profit and loss on the year's operations was $256,995.

Investment income, refundable taxes, etc., was $130,599. Income taxes took $84,036, profit commissions $36,310, depreciation $1,500, payment to employees' pension fund $656 and dividends $50,000. Total balance left at credit of profit and loss was $1,183,175. Loss ratio on an earned basis was 41.7%.

	1948	1947
Net prem. income	$2,895,895	$2,451,117
Losses & adj. expenses	1,115,253	1,025,364
General expenses	1,222,117	1,081,841
Inc. in unearned prem. reserve	221,758	194,636
Taxes	79,772	72,087
Divds. to sh'holders	50,000	45,000
Liabs. to public, incl. unearned prem. res.	2,527,305	2,190,324
Special reserves	474,373	389,532
Liabs. to sh'holders	525,000	525,000
Surplus	1,183,175	968,084
Total assets	4,709,853	4,072,939
Pol'holders' surplus	1,683,175	1,468,083
Loss ratio	41.7%	45.4%

PICCADILLY PORCUPINE GOLD MINES reports Piccadilly-Interleduc No. 2 well now drilling below 2,557 ft. on 18,000-acre lease in Stettler area, Alta. Well is down flank on the favorable structure one mile south and half mile east of recently completed No. 1 well which yielded wet gas flow of 4 million cu. ft., carrying considerable naphtha between 4,342 and 4,348, and about 35 million cu. ft. dry natural gas between 4,357 and 4,368 ft.

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Sewer Pipe Shareholders In Fight for Dividends

In a spirited 2½ hour annual meeting,—the longest and liveliest yet—shareholders of National Sewer Pipe Co. obtained President Ryland H. New's agreement to:

(1.) Give consideration before June 1 to declaration of a quarterly dividend of 60c and declare it if it is evident that it could be continued.

(2.) Adjourn, rather than terminate, the annual meeting to Friday, March 25, at 3 p.m. in the Royal York Hotel, Toronto, so that a report on negotiation between the president and the Class A Shareholders' Protective Committee might be given shareholders.

Class A Shareholders also nominated Gordon Trent of Gordon Trent & Co. as a director but withdrew the nomination after Mr. New stated he would support the re-election of the previous directors who include his son and his wife. Mr. New, however, did promise to take "under serious advisement" the suggestion to provide for additional representation on the board and perhaps to go further "at a very early date." If another Class A Shareholder is elected a director, it will be one who bought the shares originally and not just recently, he stated.

Shareholders were not questioning Mr. New's ability to manage the company but they did want assurance that the interests of the Class A holders were being looked after.

Shareholders' Committee Present

The recently formed Protective Committee for Class A shareholders, consisting of Edward Coleman, G. W. Sharp, T. J. Agar, K.C., and D. M. Deacon, were all present and also represented by their counsel, J. L. Stewart of Fraser, Beatty, Tucker, MacIntosh & Stewart. Stating that the Committee holds authority from holders of more than 20,000 Class A shares or nearly three-quarters of the outstanding, Mr. Stewart started off the barrage of questions and comments asking for a statement of the company's policy re dividends and re retirement of arrears of dividends. He pointed out:

(1.) Earnings had improved and were equal to $3.90 a Class A share as against $2.57 the previous year.

(2.) The liquid position was good with working capital of $1,452,447 and cash of $1,340,763 at Oct. 30, 1948.

(3.) That Class A dividend arrears amounted to $36 a share at Dec. 15, 1948.

(4.) That there was no indication that the management proposed to start paying dividends.

(5.) That no progress had been made towards a reorganization plan.

Other shareholders followed. One said he was prepared to go to the Ontario Securities Commission, the courts and, if necessary, to the Provincial Legislature to obtain some action for the "A" shareholders; that "the tail was wagging the dog." Another, a retired clergyman, appealed for dividends on behalf of the "little fellow" and said that "unless companies like yours do the square thing by the common people, they will be forced to do so."

From the questions, criticism and replies, the following information was extracted:

(1.) Mr. New has no intention of disclosing sales figures as "I do not think it is in the company's interests to do so."

(2.) Directors were paid salaries totalling $43,200 plus fees of $850 in the last fiscal year. This included Mr. New's salary.

(3.) No directors or officers get a dual salary for services to associated companies which are charged a management fee.

(4.) By selling the bonds, formerly held, the company is over $17,000 ahead.

(5.) Part of the cash has been re-invested.

(6.) The Hamilton plant is operating on a much improved basis and it should be better this year. The one kiln is operating at the highest speed ever and turning out the best pipe ever. The other is closed down for necessary changes, but should be in full operation in a few months.

(7.) The Swansea plant accounted for about 70% of company's sales, the Hamilton plant for 30%.

(8.) Volume of National Concrete Products Ltd., an associated company is comparable to that of the Hamilton plant.

(9.) An appraisal of all properties is currently being made for insurance purposes.

(10.) Mr. New estimated that the present replacement value of the company's plant would be over double its net balance sheet value of $473,180.

(11.) No pension plan has been developed yet but it would not cover the officers. The $25,000 set aside last year is in anticipation of a plan. There are some 225-250 employees.

(12.) F. J. Coombs of A. E. Ames & Co. resigned a few months ago as he was not in agreement with Mr. New on some questions of policy.

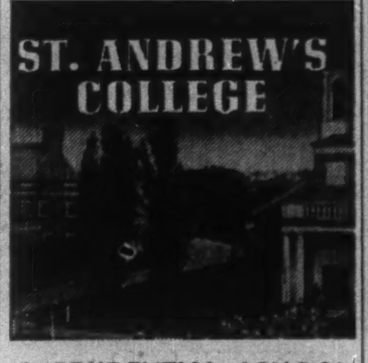
(13.) T. H. Roadhouse of Doherty, Roadhouse & Co., who replaced Mr. Coombs, owns only Class A shares.

Mr. New saw no point to adjourning the annual meeting pointing out that, in his opinion, no useful purpose would be served. He deferred to the wishes of the shareholders present as expressed in standing vote called by Mr. Agar.

Issued capitalization of National Sewer Pipe consists of 27,760 Class A shares and 53,195 common shares. The management had proxies for 1,178 Class A shares and 47,844 common shares. According to reports, the New family owns in excess of 43,500 common shares.

Directors elected were Ryland H. New, president: Ryland J. New; Mrs. Helen Isabel New; T. H. Roadhouse; H. A. Hall, K.C.; secretary-treasurer; and H. F. Dingledine, production manager.

KIRKLAND GOLDEN GATE MINES advises that following sale of additional 25,050 shares on open market for which company received $2,001, issued capital is 4,503,981, leaving 496,019 in treasury.



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COMPANY with a FUTURE

The electrical industry must supply all kinds of equipment for many years to come to meet the enormous demand of power companies like the Hydro and the needs of the consumer. The switch over from 25 to 60 cycle locally creates additional demand for equipment.

English Electric of Canada Ltd., is now wholly owned by John Inglis Co. Ltd., making the latter company more than ever "a Company with a Future."

John Inglis Co. Ltd. had good war-time earnings which it re-invested in plant and equipment. Since the war, the same policy has been pursued, so that $30 per share is now invested in buildings and machinery.

Dividends of 40c per share were started last year and the stock is selling on The Stock Exchange at about $9—yield is therefore 4.40%. Fifty shares will cost about $450, and give an income of $20.

Buying stocks should be like buying a house. You visit the property, talk it over, study every angle, make up your own mind. Our business as stock brokers is to supply you with accurate information on securities and follow your instructions. Our office is on the ground floor at 219 Bay St., Telephone is ELgin 9281.

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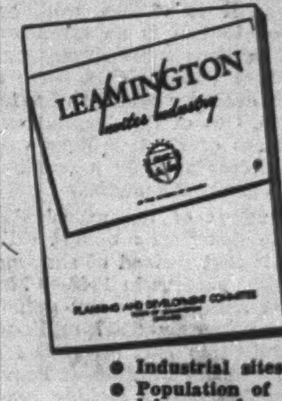

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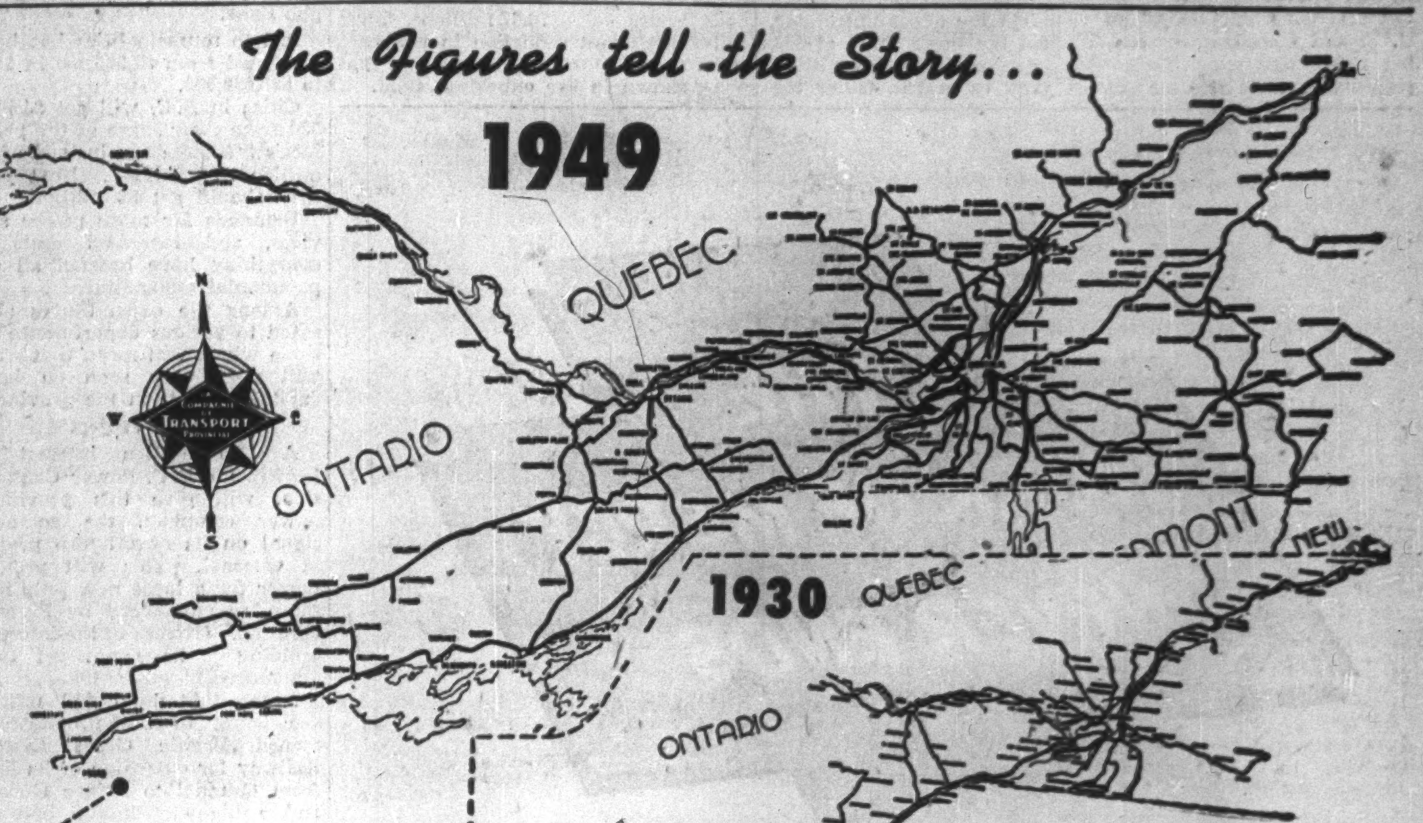
The Figures tell the Story...
1949
QUEBEC
ONTARIO
1930
QUEBEC
ONTARIO
VERMONT
NEW
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E
COMPAGNIE DE TRANSPORT PROVINCIAL

OF PROVINCIAL & COLONIAL COACH LINES' 20 YEARS' GROWTH AND SERVICE TO THE PUBLIC

	1929-30	1947-48
DAILY DEPARTURES FROM MONTREAL	71	475
PASSENGERS CARRIED	763,263	25,061,325
COACHES	97	428
SEATS	2,095	14,478
NUMBER OF EMPLOYEES	263	1,405
ROUTE MILES	1,578	3,528
MILES OPERATED	1,825,000	17,814,000

The Provincial Transport Company and Colonial Coach Lines Limited serve an area comprising more than 700 municipalities in Quebec and Eastern Ontario. As in the past, the task of this company will continue to be the provision of economical, convenient travel for this portion of the Canadian population, coupled with a constant improvement of service, of schedules, of equipment and of efficiency.

PROVINCIAL TRANSPORT COMPANY

Will N. Atlantic Alliance Be Economic Instrument?

OTTAWA (Staff) — Now coming into the open for the first time is the fact that Canada, through its U. S. Ambassador, Hume Wrong, is leading the fight to have the North Atlantic Security Alliance become an economic and social instrument as well as a defense pact.

The Canadian argument, stressed publicly on several occasions by Prime Minister St. Laurent and Hon. Lester Pearson, is that the alliance can have permanence only if it has a goal and a purpose that will outlive the present tension in world affairs.

As stated by Mr. Pearson in the Commons on Feb. 4:

"Our Atlantic Union must have a deeper meaning and deeper roots. It must create conditions for a kind of co-operation which goes beyond the immediate emergency. Threats to peace may bring our Atlantic pact into existence. Its contribution to welfare and progress may determine how long it is to survive. The Canadian Government therefore attaches great importance to the part which the pact may play in the encouragement of peacetime co-operation between the signatories in the economic, social and cultural fields."

Argue Over Economic Clause

Now it can be stated that alongside the bitter and contentious argument over the "war" clause, there has been wide dispute and argument over inclusion of an "economic and social" clause.

At first, opposition is reported to have come from United Kingdom—based on the fear that setting up of economic co-operation machinery via the North Atlantic Alliance might lead to more or less permanent supervision of United Kingdom and European affairs by United States in much the same way as ECA now operates.

Now it is said that United Kingdom and most of the European participants at the Washington talks have been persuaded to the Canadian view that a North Atlantic arrangement needs deeper roots than a mere defense and security arrangement.

But the stumbling block to an economic clause that carries any real punch or meaning is presently the United States.

There are two objections raised:

(1) What would such a clause mean?

(2) Anything that was meaningful might be just one more barrier towards getting wholehearted support in Congress for the alliance.

What will come out of the discussion is not clear.

Ottawa not Optimistic

Apparently Canada is still leading the battle to get a strong economic clause. But present hopes for anything more than a broad general statement are not too high.

This would be a very real disappointment to the present government at Ottawa. For as long as the Atlantic Alliance has been mooted, there have been high hopes here that this would prove as much a cornerstone for economic co-operation as it would be for peace and defense.

It was hoped that the political partnership envisaged in a regional grouping of North Atlantic States would prove the stepping stone to economic co-operation. One of the hopes when the Government deferred any program of direct reciprocity negotiations with the United States was to have a new groundwork established for Canada-U.S.-U.K. economic co-operation via the North Atlantic Alliance.

It was argued here in the highest circles that the North Atlantic pact was the number one objective of 1949, and that if it could be achieved, it might in itself pave the way for eventual economic co-operation.

If there is to be only a milk and water formula for economic co-operation, then some other approach may be necessary to prevent what many fear, namely that at a time when the political partnership of the three Anglo-Saxon countries is drawing very close together, the economic factors and interest are being sharply divided into sterling versus dollar groups.

Manitoba Newspaper Headlines Must be Right Under New Law

From Our Own Correspondent

WINNIPEG, — Newspaper headlines may be defamatory on their own and in any case in Manitoba they hereafter will be considered as reports separate and distinct from the articles which they caption.

The government has brought in an amendment to the Defamation Act citing this principle as statute law. The bill has been given second reading.

With respect to court proceedings, headlines or captions to newspaper articles are already deemed reports separate from the articles which they head. The amendment makes the headings separate reports in records of parliamentary and legislative proceedings, municipal councils, public meetings, and practically all stories printed in the press.

The Defamation Act in Manitoba was enacted in 1946. It followed almost exactly a draft bill approved by the Commissioners on Law Uniformity in Canada in 1944. Attorney-general James O. McLenaghen said Manitoba was the first province to enact it. The change proposed in the amendment introduced by Mr. McLenaghen was also recommended by the law uniformity commissioners at their 1948 conference.

Thus under the amendment a newspaper story may be privileged because it is fair and accurate and the headline on it not privileged because it is unfair and inaccurate. The converse of this proposition also would apply.

$1 Million Bldg. For Westinghouse

Canadian Westinghouse has awarded construction contract for $1 million five-story, structural steel warehouse, garage and office building in Hamilton. Planned to ease congestion of company's east-end Hamilton plant by providing extra 100,000 sq. ft., building will handle large quantities of electrical equipment required for conversion of hydro power from 25 to 60 cycle.

Contract goes to Pigott Construction Co. on flat contract price. Steel erection is slated to start by July 1.

ST. REGIS LEAD MINES is scheduled to start drilling this week on its silver-lead property 30 miles northeast of Sault St. Marie, it is announced. Equipment is being flown in by air, and work will centre around checking of a 175-ft. vein system, samples from which were reported to have given high lead and silver assays.

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COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CONSOLIDATED OKA SAND & GRAVEL CO. net profit for 1948 was $16,521 ($532 in 1947). In addition there was a profit of $3,302 on redemption of income debentures and of $300 on disposal of fixed assets.

Production and sales both showed a slight decrease from previous year but earnings benefited from a reduction of maintenance and winter repair account, President Frank M. Ross states.

Depreciation charge was $17,934 in 1948. Amount spent on maintenance and repairs was $58,942 ($79,387).

CONDENSED BALANCE SHEET

As at Dec. 31:	1948	1947
Cash	$120,899	$76,686
Accts. rec.	51,352	45,685
Inventories	41,360	39,276
Total curr. assets	213,811	161,647
Misc. assets	13,631	14,522
Fixed assets*	261,335	278,956
Total assets	488,777	455,125
Total curr. liab.	71,544	37,016
Funded debt	180,000	191,000
Cap. stock, Pref.	95,474	95,475
Common	142,595	152,595
Less: Deficit	837	20,961
Working capital	142,267	124,631
*After deprec. of	445,081	429,362

Deficit account—For the year ended Dec. 31, 1948, net profit of $16,521 was realized as against a profit of $532 in 1947. At Dec. 31, 1948, deficit forward, after adjustments, totalled $837.

LONDON CANADIAN INVESTMENT CORP. net profit of $191,292 for 1948 was up 21.4% from 1947.

Assets are distributed 33.17% in Dominion, provincial and U S. Government bonds; 7.77% in corporation and foreign government bonds; 9.01% in preferred stocks including Class A shares; 47.98% in common stocks and 2.07% in cash.

Geographical distribution shows 55.50% in Canada, 31.59% in the United States, 7.15% in the British Empire (excluding Canada) and 5.76% in other countries.

Number of securities held totaled 186.

A special general meeting of shareholders is being called for March 29 to consider setting up a pension plan jointly with the United Corporations and Investment Bond & Share Corp. Cost to the company of initial premium will be $39,065 and the annual premium will be $1,678, subject to future staff and salary changes.

INCOME ACCOUNT

Years Ended Dec. 31:	1948	1947
Total cash income	$361,121	$356,870
Less: Interest	90,000	120,074
Admin. exp.	37,049	38,020
Foreign exch.	......	452
Income tax	42,780	40,534
Net profit	191,292	157,790
Less: Pref. divd.	147,206	128,477
Surplus for year	44,086	29,313
Times Int. Earned*	3.00	2.65

*After all expenses except income taxes.

Earnings per Share and Dividend Record:

	1948	1947
Preferred	$7.47	$6.16
Paid	5.75	5.00
Common	0.18	0.08

None paid.

CONDENSED BALANCE SHEET

As at Dec. 31:	1948	1947
Cash	$124,757	$1,344,329
Accts. rec.▲	19,757	11,437
Prep. chgs.	3,672	848
Investments‡	7,423,182	6,203,969
Total assets	7,571,368	7,560,583
Accts., tax., etc., pay.	14,264	8,500
Debentures	3,000,000	3,000,000
Conting. res.	50,000	50,000
Capital stock	3,560,100	3,560,100
Surplus▲	947,004	941,983
‡Market value	6,995,488	6,030,631
▲Incl. ref. EPT	......	871

Here They Come!
THE NEW
FUTURAMICS!
OLDSMOBILE

White sidewall tires optional at extra cost. Hydra-Matic Drive standard equipment on the "Eight," optional at extra cost on the "Six".

A PRODUCT OF
GENERAL MOTORS

Oldsmobile rolls forward into '49—with an All-Futuramic line—a new "76," a new "88," and a revolutionary new "Rocket" Engine

Strike up the band! Sing out the news! It's "My Merry Oldsmobile" in a triumphant new tempo, as the line of Futuramics swings by on dress parade! There's a brand new Oldsmobile Futuramic "76" . . . with Fisher's newest body, panoramic vision, plus a remarkable new "Big Six" Engine. And leading the parade, a newly styled Futuramic "88" . . . with the revolutionary new "*ROCKET*" Engine! Yes, you'll experience "The New Thrill" the moment you first set eyes on a 1949 Oldsmobile. There's fleet-flowing smartness, inside and out—an eager-for-action look that's backed-up by performance. In fact, with GM Hydra-Matic Drive, Oldsmobile's performance is so incredibly smooth, silent, and spirited, *you've got to try it to believe it!* Your Oldsmobile dealer invites you to *inspect* the new Futuramics—*examine* the new "Rocket" —*experience "The New Thrill!"*

O-549

The New Thrill! FUTURAMIC OLDSMOBILE

SEE YOUR LOCAL OLDSMOBILE DEALER

B. C. KITCHEN

has been appointed purchasing agent for Imperial Oil Ltd., succeeding L. E. Bury who is retiring after 42 years service. The position of assistant purchasing agent will be held by A. E. Rubery. Mr. Kitchen, who was born in Petrolia, Ont., joined Imperial in 1912 and shortly afterward was transferred to the purchasing department. In 1921 he was appointed assistant purchasing agent. For two years during the war he was on loan to Polymer Corp. as co-ordinator of purchases.

Sask. Net Public Debt Down Slightly in '48

Net public debt of Saskatchewan at Dec. 31, 1948, was $144,086,909 ($145,003,649 a year earlier), it was revealed in the legislature.

Provincial Treasurer C. M. Fines disclosed gross public debt totaled $188,021,233 ($183,856,537), and sinking fund $43,934,324 ($38,852,887).

Funded debt totaled $138,322,423 ($126,928,773); treasury bills, $49,098,810 ($56,427,763); accounts payable (estimated), $600,000; ($500,000); contingent liabilities, $1,140,460 ($1,240, 915).

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A "grass roots" Magazine
—AND PROUD OF IT!

Among other things we've learned during more than forty years' association with the Western farmer, is a healthy respect for his intelligence. We've spent most of that 40 years trying to keep ahead of him (in an editorial way, of course). So far, we've succeeded so well that he's gotten into the habit of looking to us for leadership in new agricultural information.

DOWN ON THE FARM with The Guide

Since the days when steam tractors were used to run threshing machines, the Western farmer has followed all the technical advances in agriculture through the pages of The Guide. Today's modern, more efficient tractors—rubber tires—the combine—and now 2, 4-D methods of chemical weed control and spray rigs—all these modern ideas, on which we have furnished full information at every stage in their development, are transforming agriculture. Because the magazine was founded by Western farmers themselves (and is still owned and operated by them), their wants and needs in their magazine quickly (and emphatically) make themselves known and are quickly fulfilled. All this makes life interesting for the editorial staff, who feel their responsibilities keenly. Serving their readers in an expert, technical capacity: offering advice which may mean success or failure to the farmer, Guide material must be accurate, up-to-date, and PRACTICAL.

For the advertiser, the conclusion is obvious. In such a publication, each issue teeming with farm, home, women's and children's features, the careful readership by every member of the farm family is unique. Add that today's farm family is in the happiest financial situation in its history, and here's the answer:

For Consistent, good results from your advertising, use

THE Country GUIDE
WINNIPEG - CANADA

73% of Western Canada's Population is rural

Lots of Life in Family Farm Yet

The Question: Do you fear the results, social or otherwise, of the reputed decline of the family operated farm?

There is no indication, according to replies to a Financial Post questionnaire, of a widespread fear that mechanization will eliminate or have permanently disastrous effects on farm family life.

While most answers show there has been some decline, and that social and economic conditions have been affected, there is disagreement about what those effects have been. However, most agree the function of the farm family in our national life is at least as important in its social aspects as it is economically. Farm life, where it seems to be deteriorating, cannot be maintained simply by sentimental appeals; it must compete — and successfully — with other forms of social life. Almost all agree a careful study should be made to see exactly what is happening to the institution of the family-farm in Canada; few think it is likely to disappear.

R. W. BOUSKILL, Superintendent of Plants, Purity Flour Mills, Winnipeg, and President, Association of Operating Millers.

The significance of your question to our national welfare generally is too wide to be answered glibly. Any statement made on this subject should be carefully thought out and qualified if it is not to be misinterpreted.

Briefly, as a consequence of the trend in decline of family operated farms, I do fear the eventual economic and moral results to our national welfare. From the standpoint of physical and mental health, and a liberal education in nature, we should do everything economically possible to encourage families to remain on the farm.

• • •

S. J. DORNAN, Editor, Dispatch, Alameda, Sask.

I am convinced that any decline of consequence in the family farm would destroy social and community life. Family operated farms are the mainstay of rural life. Family farms in this community have given many outstanding citizens to this province and to Canada. Home life on the family farm is much superior to that in the cities and any disintegration of this bulwark of citizenship would be decidedly serious.

• • •

W. M. DRUMMOND, Head of agriculture economics department, Ontario Agricultural College, Guelph.

To survive, the family farm must demonstrate superiority over other forms of organizations. The declared preference for this institution must be based on scientific analysis and actual performance rather than on sentimental desire. Maintenance of the family farm will require considerable improvement in the conditions under which it operates.

Requirements include measures to ensure the correct size of land holdings, more effective use of machinery and labor saving devices so that family farm labor efficiency may be stepped up, laws specially designed to protect farm wage-workers, improved tenancy arrangements and improvements along rural credit lines aimed at preventing inflationary land values and facilitating purchase of land equipment.

Thus far the reputed decline has meant larger and fewer farms rather than a disappearance of the family farm basis of organization. The trend, however, does result in fewer people per square mile in rural districts and therefore greater difficulty in maintaining rural institutions and social life. Greater industrial decentralization might help to correct this situation since industrial workers would become rural residents.

• • •

W. C. GOOD, President of Co-operative Union of Canada, and prominent in farm organization circles, Brantford, Ont.

Technological changes are steadily making family farming more difficult, but accurate data on its decline is much needed. It is probably marked on the average, but uneven in distribution. The decline is partly offset by immigration from Europe. Where decline is marked, rural young people are scarce, and social life is decaying.

Though the aggregate of farm production keeps up fairly well, many farms are half abandoned and produce little. The whole question is highly complicated and needing exhaustive investigation. Present prospects for agriculture are far from bright.

• • •

C. A. HAYDEN, Editor, Country Life, Vernon B.C., and Secretary, B.C. Federation of Agriculture.

Decline in family operated farms is not recorded in British Columbia. In fact, the opposite is developing with various large farm holdings being broken into small family units. Even so, with the closing of important export markets, notably Great Britain, for various products and with mounting costs of farm operations, especially labor, tough sledding may be expected in some quarters with consequent descent in social and economic scales.

With the mechanization of Prairie farms, and with larger operations to cut unit production costs, British Columbia and Ontario are losing the markets that the harvest crews were wont to provide since tractors, combines and trucks have crowded out food consumers.

Definitely there is bound to be a decline in the standards of living of the majority of Canada's agriculturalists unless absorbent markets are found in 1949 and subsequent years for the food commodities even now faced by surpluses. Unfortunately the farmer cannot shut down his factory.

• • •

R. S. KENNEDY, Editor, Family Herald & Weekly Star, Montreal.

I do not fear results of the supposed decline of the family operated farm. If decline proves a real and permanent trend it will bring both advantages and disadvantages as have all other changes in our mode of life. We will just have to make the best of this change as we have already done with the decline of the self-supporting farm and more recently with the decline of the horse powered farm.

Every increase of knowledge brings changes in our ways of life. We cannot bar changes without barring new knowledge so there is no sense in fearing them. We should face them, understand them and adapt ourselves to profit by them.

W. R. LESLIE, Superintendent, Dominion Experimental Farm, Morden, Man.

Farm units in Southern Manitoba are mostly continuing as family operated farms. This condition involves raising livestock, growing grass, planting field shelters and farming with welfare of the soil in mind. Grain farming by town residents and without livestock promises decline in vegetable matter, deteriorated farm land and national concern.

• • •

H. G. LONG, Editor, Herald, Lethbridge, Alta.

A hundred years ago when Massey, McCormick and confreres were inventing reaper and cultivation machinery, nine out of 10 families in Canada lived on the farm. Today it is three out of 10. Mechanization has brought larger farms but food is still number one of man's needs and will so remain. Farming today is a business, not a subsistence.

With world population growing at the rate of 20 millions yearly, food production is more important than ever in history. Peasantry of pioneer days is going but family farm will long remain as a bulwark to man's survival. But it must be a farm which will provide as high a standard of living as enjoyed by workers in any other industry. The day of bargain prices in farm commodities is well on its way out.

• • •

S. N. MacEACHERN, Commissioner, Saskatoon Board of Trade, Saskatoon.

Speaking for Saskatchewan, the number of farm owners has decreased from 125,000 to 110,000 today. The reason for the decline generally has been the withdrawal from cultivation of sub-marginal land and the increase in individual holdings due to mechanization. To the extent that owners are able to farm larger farms with the same or fewer hands, their economic position no doubt has improved. Farm population, however, is definitely on the decline and because of this, social problems are arising which may have very undesirable consequences.

Sparseness of rural population makes desirable improvements in farm living difficult to attain. Rural electrification, a reasonably good standard of education, health services, community life, well maintained municipal roads are some services which become increasingly more difficult to obtain as population declines.

The answer partially, at least for Saskatchewan, is a more intensive use of the land. This can be brought about by irrigation. Millions of acre feet of water flow now uselessly via the Saskatchewan River to the sea.

• • •

GRANT MacEWAN, Dean of Agriculture, University of Manitoba, Winnipeg.

The farm pendulum may swing one way and the other, but the family farm will give agriculture its greatest stability and continue to be its mainspring. The swing toward bigger farms is evident but not inconsistent with family units and over the years the bigger family farms may well be the most efficient.

As we see it, the non-resident operators or part-time farm residents are the present threat to agricultural institutions and some of the best farm traditions but probably represent a temporary phase. I believe the family farm will be the enduring unit and its survival is assured.

• • •

D. A. MacGIBBON, Economist & member of Board of Grain Commissioners, Winnipeg.

On the western plains, with mechanization, the economic unit for grain production is between 500 and 1,500 acres. The trend towards larger farms is thinning out country population, creating difficulties in organizing school districts and in general making it more difficult to maintain the social institutions of the countryside.

In those regions where other types of agriculture are feasible, the family operated farm continues to be the desirable economic unit and will likely persist though in many instances the basic Anglo-Saxon stock is being replaced by newcomers.

• • •

D. R. McCAHILL, General Manager, Canadian Canners Ltd., Hamilton.

I do not think that industrialized company-operated farms will replace family-operated farms as long as we enjoy present autonomy in Canada. Family-operated farming is a system that has inherited a sturdy independence and an individualism founded on a sound basis of family life. The present generation is keenly interested in acquiring increased knowledge of improved farming methods, soil conservation, more profitable crops and improved livestock.

There will be some adjusting and leveling of farm produce prices but well informed farmers are aware of this and are planning accordingly. There is more of the pioneer spirit of co-operation in the present generation of farmers along educational and social lines.

• • •

W. J. McGREGOR, President, Canada & Dominion Sugar Co., Chatham, Ont.

There has been no trend away from family operated farming in our sugar beet growing area of southwestern Ontario. I attribute this desirable situation in large measure to sugar beet growing which is inseparable from our company's long-term immigration program bringing in thousands of finest type European farm families, mainly from Belgium and Holland.

We have had splendid co-operation from the Dominion Government in furthering this policy and since the war have brought in several hundreds such immigrants. This program which began in 1904 has proven invaluable to farming economy of southwestern Ontario as there are now hundreds of these thrifty hard working new Canadians operating their own fertile farms.

• • •

GEO. H. McIVOR, Chief Commissioner, Canadian Wheat Board, Winnipeg.

The cause and the extent of the decline must be appraised before expressing concern over the impact upon our social and economic life. Underlying this change is the relationship between the mechanized grain unit requiring a minimum of labor and the family operated farm. Essentially the latter must be a mixed farm providing family employment under satisfactory social and financial inducements.

The war drew heavily upon farm manpower. An expanding economy has aggravated it. The grain farmer's answer was mechanization. A decline in urban employment and income or a change in price relationship could reverse this trend in rural areas where the family operated farm is feasible.

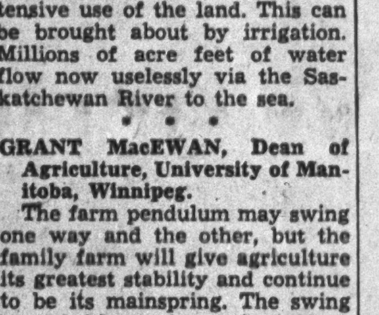
• • •

FERGUS MUTRIE, CBC Supervisor of Farm Broadcasts, Toronto.

In my opinion, the decline of the family type farm is the logical result of increased mechanization in agriculture. The in-

(Continued on page 11)

DO YOU USE COIN WRAPPERS?



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With sincere regret we announce that

Mr. Charles J. Dale

Partner, and Manager of our Trading Department, is leaving our firm and the investment business as of February 28th.

We are pleased to announce that

Mr. J. E. "Ted" Macdonald

has returned to our organization as Manager of our Trading Department.

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The Directors of Fairclough & Company Limited and Saunders, King & Company Limited announce their amalgamation as of March 1st, 1949. In future, business will be conducted under the name of

FAIRCLOUGH & COMPANY
Limited
220 Bay Street, Toronto,
Telephone—PLaza 1141

A. B. FAIRCLOUGH • ARTHUR DYMOND • H. W. HUNTER • E. M. SAUNDERS • C. G. KING

New Issue

$35,000,000

Province of Quebec

3% Sinking Fund Debentures

To be dated March 15, 1949 To mature March 15, 1965

(Callable on or after March 15, 1963)

Principal and half-yearly interest (March 15 and September 15) payable in lawful money of Canada in any one of the Cities of Quebec, Montreal, Toronto, Winnipeg or Vancouver, at the holder's option. Coupon debentures in denominations of $1,000 and $500 registerable as to principal only. These debentures will be subject to redemption, at the option of the Province, as a whole but not in part, at 100% of the principal amount and accrued interest on March 15, 1963 or on any interest payment date thereafter on not less than sixty days' notice.

Legal opinion: Messrs. Montgomery, McMichael, Common, Howard, Forsyth & Ker.

In the opinion of Counsel, these debentures will be direct obligations of the Province of Quebec and a charge as to principal and interest upon the Consolidated Revenue Fund of the Province. The purpose of this issue is to make up, to the extent of the proceeds thereof, a difference between revenues paid into the Consolidated Revenue Fund of the Province and expenses charged thereto as set out in a certificate of the Quebec Provincial Auditor.

A Sinking Fund of an amount at least equal to 1% of the face value of the outstanding debentures of this issue will be provided annually.

Particulars of the Debt and other financial statistics of the Province will be supplied on request.

Price: 99.50 and accrued interest, to yield about 3.04%.

We, as principals, offer these debentures if, as and when issued and received by us and subject to the favourable legal opinion of counsel above mentioned as to the creation, form and issue of the debentures.

It is expected that debentures in interim form will be ready for delivery on or about March 15, 1949.

Subscriptions will be received subject to rejection or allotment in whole or in part, and the right is reserved to close the subscription books at any time without notice.

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February 24, 1949.

CARRERAS LIMITED

HIGH QUALITY OF PRODUCTS MAINTAINED

The Forty-fifth Annual General Meeting of Carreras, Limited was held on February 21 in London, England.

Sir Edward Baron, the chairman and managing director, presided and in the course of his speech said:

You will, I am sure, be as gratified as we are that, despite the manifold difficulties which have continued to beset us, the outcome for the year under review was so favourable. When on the occasion of our last meeting I assured you that your board would use every means within its power to achieve a result which would enable the existing rate of dividend to be maintained, I did so with a certain amount of trepidation. I emphasized that it would not be easy and as things have turned out that was an understatement, but I will not enlarge upon the matter at this moment. It is sufficient at this point to say that the proposed dividend of 35 per cent. is very well covered as is evidenced by the fact that no less than £257,518 is being added to the carry forward, bringing this up to £1,334,301. We have not proposed any additions to specific reserves, preferring, in the very uncertain conditions still prevailing, to retain the unappropriated balance where it is available for any purpose that may be necessary.

You will, I trust, agree that the trading profit of the group is quite satisfactory. I feel, however, that it is incumbent upon me to emphasize that it represents a comparatively small rate of return on sales of our products valued at many tens of millions of pounds and achieved after great effort on the part of our workpeople, staff, representatives all over the world, as well as much anxious thought and careful planning by those of us sitting at this table.

On the question of stocks, this large item embraces the stocks held by our two important subsidiary companies, John Sinclair Limited in this country and The Rock City Tobacco Company Limited in Quebec. The latter company's stocks include the leaf tobacco stocks of its own subsidiary which is a leaf-buying and processing business whose output is, to a large extent, used in our Canadian organization. We can only bring a very small proportion over here due to the limited amount of dollars allocated to us.

I trust that you feel satisfied that our strong financial position has not only been maintained but, in fact, improved upon.

Towards the close of 1947 we were beginning to benefit from an increasing demand which was very little impaired by the additional duty of 3s. 4d. per lb. imposed by the Budget of last April.

Due, however, to the restrictions placed in 1947 upon purchases of leaf tobacco from dollar sources, which precluded us from fully replenishing our stocks, we could not take advantage of the improved situation and accordingly, in common with our competitors, were compelled to restrict our distribution to the trade to approximately the pre-war level. Had this not been done we should have soon found ourselves without enough leaf to maintain supplies on anything like the present basis. The importance of this can be appreciated when I remind you that purchases of United States leaf in 1948 were again severely restricted and it is a fact that the sterling areas cannot under the most favourable conditions produce enough tobacco in the foreseeable future to make good the deficit in supplies from the dollar areas.

The latest indication from the Government that they have arranged for an increased allocation of dollars for United States leaf purchases this year is therefore a relief to us all, and if all goes well with this year's crop as to quantity and price, this will mean that the present level of consumption can be maintained without a decrease in our stocks.

EXTENSION OF BUYING FACILITIES

While on the subject of tobacco you will, I believe, be very interested to learn that we have recently taken steps to improve our buying facilities in the Rhodesian market so that we can take full advantage of the increased crops which are anticipated to be forthcoming during the next few years. On the question of filter tip cigarettes, all I can tell you at this stage is that we are conducting experiments and preparing to take our part in the endeavours which are being made to increase supplies by this means. Many problems arise, however, in this connexion, not the least being the provision of the necessary machinery, which is of a very complicated nature. We shall, no doubt, solve them satisfactorily in due course and we expect to be no less successful in this sphere than our competitors.

One bright spot does emerge, however—the recent decision to relax the regulations relating to paper and board. I am glad to say that this will mean some small improvements in our packaging and relieve us of a good deal of worry in that connexion.

EXPORT AND OVERSEA INTERESTS

This brings me to our export trade, including our interests oversea. In all markets our brands continue to maintain their prestige, although, as you can readily imagine, the maintenance of our high standards in the prevailing conditions is not easy to accomplish. It is not, however, the quality of our product or lack of demand which gives us concern, but the world economic situation. We have to contend with the import restrictions imposed from time to time in various markets, the latest example being South Africa—and also with the continual increase of import duties, one or other of these disadvantages forcing us to arrange for local manufacture under appropriate and adequate safeguards. This has actually been done in America and we look forward to a growing demand for Craven "A" cigarettes in the United States in consequence of the big reduction in price which has thus been made possible. Similar arrangements are coming into operation in the very near future in Switzerland, and it may be necessary to extend this to other countries.

It will interest you to know that our export manager has only recently returned from a visit to the Far East, where he was able to discuss at first hand with our representatives and agents many matters of prime importance and in addition to settle on the spot some particularly difficult problems which suddenly arose. We are confident that his journey will be of lasting benefit to our business in that part of the world. Some of the directors and others have in recent months paid visits to countries nearer at hand, all of which have proved fruitful, and I am myself proceeding to Canada and the United States in a fortnight's time in order to attend to certain matters which must be finalized without further delay.

A SUCCESSFUL YEAR IN CANADA

Here I must take the opportunity of telling you that our Canadian company has had a successful year and the prospects are very promising. The greatest possible credit is due to the efficient and capable local management, and we are fortunate in having men of ability in charge of that business.

From all I have so far said you will gather that difficulties and perplexities continue to multiply and you may wonder how, with no significant improvement in trade, such a good result was brought about. There were many contributory factors, not the least perhaps being our excellent relations with our staff and workpeople. They have given ungrudgingly of their best efforts and as an expression of our appreciation we have awarded them all a bonus for the financial year of five and a half weeks wages, which, at the increased rates in force, has meant that they received a total sum no less than was paid in the previous year. I am confident that you will endorse our action.

A second factor was the exercise of every possible economy—and a striving to promote the utmost efficiency. There is a constant effort to keep pace—indeed, even to get ahead where possible, of modern trends in management at all levels; continuous thought to secure an enlightened labour relationship, better production methods, and the most up-to-date plant and machinery.

Finally, I must say that our export business, despite the restrictions I have already mentioned, has also been a helpful factor in maintaining our output and contributing towards manufacturing economies.

Having listened to this review of past events you will wish me to say something regarding future prospects. I should be doing you a disservice if I were to be too optimistic and similarly I should not be true to my own feelings if I indulged in exaggerated pessimism. While it is commonplace to say that difficulties still abound, that perplexities and anxieties are our daily lot, and that the economic stability of the world seems as far off as ever, nevertheless the facts must be faced. We are perfectly aware of all these things and you may be certain that we are keeping ourselves fully prepared to take immediate advantage of every opportunity which may present itself.

THE OUTLOOK

We are thankful that, so far as we can see, we shall be able to maintain our turnover in this country at its present level and we trust that the same will apply in our export trade. Provided nothing unforeseen occurs — and who knows what may happen in these days —I look forward to being able to present an equally good account of our stewardship 12 months hence.

The report was adopted.

LABOR ROUNDUP

Labor Priming Guns For Election; $350,000 Fund is Goal of CIO-CCL

By RONALD WILLIAMS

Canadian labor was priming its political action shooting irons this week for the Federal election it expects before the summer is out.

In Toronto, the local CIO-CCL labor council was told that the Congress hoped to raise a $350,000 fund to elect CCF candidates by assessing members $1 each. This week the council set up a political action committee and endorsed the CCF.

Meanwhile Ontario CIO unions laid plans for a Weekend Political Action Institute March 26-27 in Toronto, to give key unionists a fast but intensive course in electioneering.

The political faculty will consist of Eugene Forsey, CCL's research director; Morden Lazarus, executive secretary Ontario CCF; Murray Cotterill, CCL Political Action Director; Dave Archer, executive secretary, Ontario Federation of Labor and two CCF-labor members of the Ontario legislature: Eamon Park and Lloyd Fell.

At the same time, the Ontario section of the AFL-TLC broke the ice of the older congress' "no-politics" policy: the "underground" pro-CCF political action group came out into the open. The names on the 10-man provisional Committee were no surprise:

Ford Brand, secretary Toronto District Trades and Labor Council and a former CCF candidate; Max Federman, business agent, Fur Workers; William Breen, business agent, Paper Box and Specialty Workers; Roy Swain, Bricklayers; Ernie Gardner, Jewelry Workers; Joe Berry and G. Gray, anti-Communist section of Chemical Workers; Maurice Punshon, Sign Painters and former CCF candidate and H. Coulter, Upholsterers.

The new AFL political action movement was launched by 40 unionists at a meeting held in the CCF Chambers at the Ontario Parliament Buildings. Among those attending were four AFL-CCF M.P.P.'s and CCF Leader E. B. Jolliffe. A second meeting is scheduled for March 10 when 120 will elect a permanent "Committee for Political Education."

This marks an important milestone in the life of the 80-year-old Congress. In the past it has passed resolutions urging political action but only under pressure from progressives. Nothing ever came of them. One way or another, TLC leadership, which has been and still is, largely Conservative or Liberal politically, had managed to squelch political movements.

This partly explains, believe experienced labor men, the strange paradox of the ultra-conservative TLC leadership mating up with the Communists.

Ideologically, they couldn't be farther apart, yet both have a common enemy—the CCF. To keep out the intruder there has been an unofficial marriage of convenience. The partnership has been fine for the local comrades but disastrous for the TLC. The old line unionists in the eyes of the public, have been caught living in political sin.

Despite this united front the CCF has finally got its foot in the TLC door. If the Socialists can squeeze in and take over the whole house, as they have in the CCL, they will control nearly all organized labor (about one million strong).

• • •

Who's Using Whom in TLC?

Because of this "alliance" against the CCF, no one seemed to be taking too seriously the TLC's latest bid to set itself right with the AFL by urging affiliated unions to democratically kick the Reds out.

The new proclamation was issued following a day-long session in Ottawa of the Executive Council to consider the AFL's Miami ultimatum to clean house or else. As long as the CCF remain a threat, the general feeling is that the administration will continue to try and use the Reds as a barrier.

The latest TLC edict was couched in somewhat stronger language than before, but there appeared to be no change in basic policy. For example, they did nothing about—not even mentioning— the nub of the whole Red fuss—the Seamen's union.

Yet with one stroke, the TLC could have demonstrated its sincerity by cutting off the Seamen's affiliation, leaving it high and dry on its own Red shoal. There was already precedent for such action: anti-Communist Frank Hall and his Railway Clerk's Brotherhood were suspended last year for trying to squeeze the Seamen's Union out.

Instead, the TLC restated a trade union principle which no unionist would quarrel with, as long as it is used for not against democratic labor activity:

"We fully realize . . . that this democratic process (of accepting all elected delegates, regardless of race, creed, color or politics) has some weakness when confronted with the strategy of the Communists, who are prepared to use the established freedom of democracy in order to bring chaos and destruction of democracy. But we are not prepared to substitute methods of dictatorship . . . or advocate the curtailing of freedom . . . in the belief that by so doing we will strengthen our own freedom."

To anti-Communist Hall, this was so much eye-wash. "Many will hold the view that they are dodging the main issue (by saying nothing about the Seamen's union). They've taken just one step and probably not a very positive one at that," he said. His anti-Communist group of 32 AFL unions will meet March 10 to consider future action.

• • •

$1.50 An Hour For Printers

In Toronto, a 11th hour settlement was reached between publishing and job printing shops and the AFL Printing Pressmen's union, averting a repetition of last year's lengthy strike. The pressmen were given a raise of 15c an hour, making 32½c in the last two years. They also won two weeks holiday with pay after three years but gave up a demand for double time on Saturdays. Present pressmen's rate (outside daily papers); $1.50 an hour.

No sooner was this settled than another strike threat was voiced by the AFL Bookbinders. There was no dispute over an offer of 15c an hour for men raising them to $1.50. But the 77½-80c offer for women (60% of the union are women) was accepted only by a slim majority after much strike talk.

• • •

O'Brien To The Rescue

Danny O'Brien, No. 1, apologist for the Communists in British Columbia, has been rewarded with an appointment as organizer for the Red-run CIO Mine, Mill and Smelter union. O'Brien, formerly president of the B. C. Federation of Labor, has been assigned to the Timmins, Ont. area where he will be in direct competition with the CCL which has ordered the Mine, Mill out while it takes over organizing. Said CCL President A. R. Mosher: "The Congress regards the hiring of O'Brien . . . as a continuation of the defiance of the Congress by the Mine, Mill . . ."

• • •

Labor Briefs

Less time was lost due to strikes during January than any month since June, 1945, and fewer on strike since November, 1944, reports the Federal Department of Labor. Preliminary figures show 10 strikes, involving 1,811 workers with a time loss of 9,700 days.

• • •

The big (4,000 members) Sydney local of the CIO Steelworkers Union voted last week 900-553 against affiliating with the CCF. This marks the first real setback for the union's pro-CCF leadership program of selling the union the CCF as its political arm.

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Communist-led United Fishermen and Allied Workers union (AFL-TLC) is seeking 15% increase in take-home pay for cannery workers in British Columbia.

• • •

One thousand Vancouver hospital workers, including 250 nurses, are getting $17 a month cost-of-living bonus under the terms of a new contract negotiated by the AFL Hospital Employees' union.

Family Farm Life Shows Much Hope for the Future

(Continued from page 10)

creased use of machinery has come about because of the necessity for greater efficiency in operation and a shortage of suitable farm labor. With a substantial investment in machinery, many farmers find they must operate larger acreages in order to reduce the overhead charge per acre and to get the maximum use per unit of machinery.

Larger farms mean greater isolation for the family, particularly on the Prairies, and this has caused certain social problems. This isolation has made farming somewhat less attractive to young people and to women. However, increased efficiency in operation in many cases leads to greater home conveniences and more pleasant home surroundings, and this in time should have an offsetting effect.

On the practical side, I see no reason why increased mechanization should not result in better rather than poorer farming practices, so on the whole, I have no great fear of disastrous results from the decline of the family operated farm.

• • •

H. A. RAMAGE, Editor, Advertiser-Topic, Petrolia, Ont.

Farming may be expected to change from a family operated unit basis to one of a co-operative nature or a form of collectivism; and in so doing it would be following the trend of the family owned flour mill once found in almost every town. The first suggestion of collectivism among farmers started away back with bees for bush clearing, barn raising and threshing.

Modern farm equipment with its tractors, combines, milking machines, etc., along with price of a farm, makes for an investment that could frighten a young farmer who did not have a big bank roll or an indulgent parent.

It seems like good business for a group of farmers to pool their resources and by working co-operatively get the utmost use of this expensive equipment. It might reduce a farmer's individualism somewhat but in the end would give him a greater financial security.

• • •

W. R. REEK, President, Ontario Agricultural College, Guelph.

I do not fear serious adverse results because of reputed decline of family operated farms. There will be considerable readjustment but Canadians have proved themselves capable of meeting such conditions. What is a family-sized farm today? Certainly not what it was 40 years ago. Mechanization has changed the picture.

Such a farm should be at least twice the size or cultivated much more intensively. This change will come about according to the demands for our products. I do not anticipate any particular move toward the establishment of company farms; there are some now, but in the near future the number will not approach those established in the last 10 years.

• • •

CLIFFORD ROWLAND, Big farm-owner, Calgary.

Yes, social; more mental than otherwise because of wishful thinking on the part of would-be farmers who never had experience. Family operated farms are much better for the community if backed by ambition and hard work; but otherwise they usually turn out to be pitiful failures. The tendency is for the young people to leave the family farm and go to the cities where hours are shorter, consequently large farms.

• • •

DR. R. D. SINCLAIR, Dean of Agriculture, University of Alberta, Edmonton.

Mechanization of agriculture is leading to the development of larger farm holdings with a tendency to operate farms on a non-resident basis. This process may be inevitable in certain specialized grain growing areas but I should deplore any large scale evolution along this line in general farming.

Farming is a way of life as well as a means of making a living. The farm home, and the community made up of good farm families working and living together in a spirit of neighborliness and co-operation, contribute immensely to the stability and peaceful intent of any country.

• • •

H. G. L. STRANGE, Director, Agricultural Research Dept., Searle Grain Co., Winnipeg.

Tendency is for Prairie farms to become more highly mechanized and so larger to keep down costs of production. Hence continual movement of Prairie farm people to city occupations. As prices of farm products increase tendency to larger farms will decline. As prices of farm products fall, tendency to increase size of farms will increase.

I consider the present tendency of farms to increase in acreage is caused in no small measure by the British - Canadian wheat agreement which has kept and is keeping the price of wheat too low. Purchasing power on farms of $2 wheat today is less than $1 wheat in 1914.

• • •

J. G. TAGGART, Deputy Minister of Agriculture, Ottawa; former Minister of Agriculture, Saskatchewan.

I am not aware of any sound evidence to support the opinion that family operated farms are in a state of decline compared with farms which are operated by so-called capitalists who hire most or all of the labor. In fact, it appears to me that fair sized, properly equipped, family operated farms have better chances of survival than farms on which labor is mainly hired. I do not include in the comparison small or unproductive farm units which are mainly places to live rather than means of earning a living.

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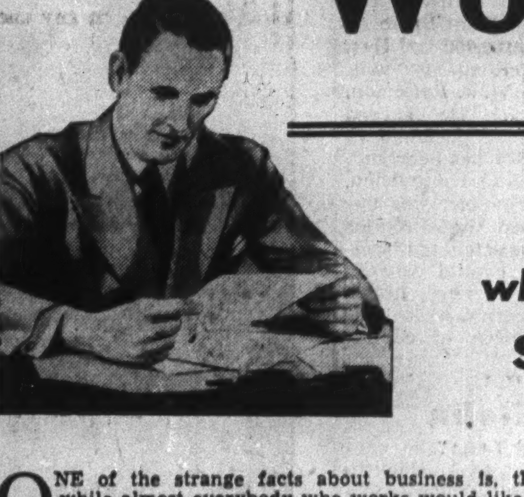

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MEMO TO PERSONNEL OFFICERS

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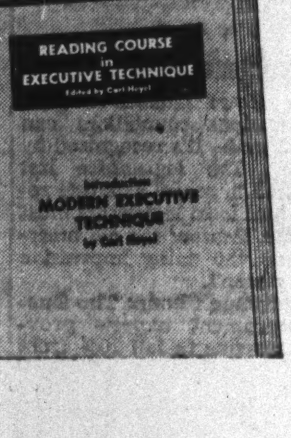
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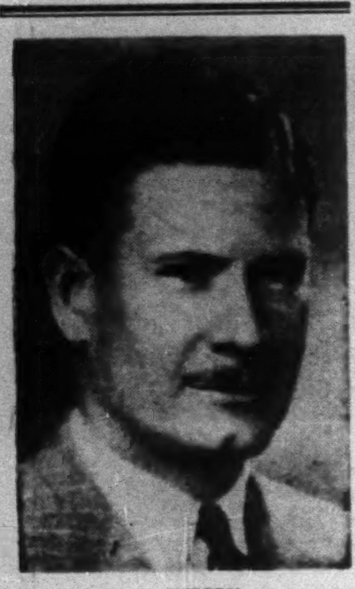

S. R. SKELTON

Has been named General Manager of Saturday Night Press, a division of Consolidated Press Limited, publishers of Saturday Night and other national publications. He succeeds Roydon M. Barbour who was recently advanced to the position of Executive Vice-President. Mr. Skelton has been Assistant General Sales Manager of the Goodyear Tire and Rubber Company of Canada Limited and formerly Advertising Manager of the same company. His earlier experience in the advertising field was with one of Canada's largest advertising agencies. Prominent for many years in sales and advertising circles, he recently organized the highly successful Central Canada Sales Management Conference held in Toronto. His new appointment is effective immediately. *

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25% and 38% of First Cost Price to UK Firms at Ajax

Three more industrial firms are thinking about locating in Ajax. Five have leased or bought land or buildings for manufacturing, 13 others have leased space for storage.

So Reconstruction Minister Robert Winters stated in the Commons last week about developments at Canada's newest industrial growth community. It's the 3,000 acre ex-munitions centre of Ajax, on Lake Ontario between Toronto and Oshawa, being administered by Ottawa's Central Mortgage & Housing Corp. (The Financial Post, May 29, Nov. 27).

The five for manufacturing are named as Ideal Steel Products Inc. (an American firm), Dowty Equipment, Pye Canada and Sheppard-Cardiff (all three of England), and Dominion Viscose Products (Canadian). The three others considering entry weren't named.

Prices they paid appear low in relation to first cost.

Britain's Dowty aircraft equipment firm, which is moving from Montreal (The Post, Jan. 15), pays $20,000 for land and buildings which cost the Dominion Government about $52,671. Pye (The Post, Aug. 14), pays $9,500 for land and buildings which set the treasury back about $38,482. For Dowty, that's about 38% of cost; for Pye about 25%.

Here are Ajax newcomers since 1945:

WHO'S AT AJAX AND WHAT THEY PAID

Name	Origin	Product	Workers	Price	Original cost
Dom. Viscose Prods.	Can.	Cellulose casing	100	Land $3,000	$300
Dowty Equipment	Eng.	Landing gear	120	Rental only	......
Ideal Steel Prods.	U.S.A.	Electro plating	70	Bldg. $13,000 Land 7,000	$51,996 675
Pye Canada	Eng.	Radio and television	200	Bldg. $8,500 Land 1,000	$38,360 122
Sheppard-Cardiff	Eng.	Furniture	30	Rental only	......
Automotive Hardware	Can.	Storage	......	Rental	......
Can. Dry Ginger Ale	"	"	......	"	......
Can. General Electric	"	"	......	"	......
Gross Machinery	"	"	......	"	......
Kelly & Cracknell	"	"	......	"	......
LaSalle Bldrs. Supply	"	"	......	"	......
Massey-Harris	"	"	......	"	......
Mill Valley Lumber	"	"	......	"	......
Novelty Shoe	"	"	......	"	......
Reliable Toy	"	"	......	"	......
Teletronics Corp.	"	"	......	"	......
Trane Co., Canada	"	"	......	"	......
Visco Petroleum	"	"	......	"	......

Northwest. Utilities Has $2.5 Million Expansion Plan

From Our Own Correspondent

EDMONTON — Northwestern Utilities Ltd. intends to spend more than $2.5 million on additions to plant this year to keep up with rapid development of Edmonton and other communities served by the natural gas system, R. Cody McPherson, general manager, announced. By the end of 1949, the company will have spent about $12 million on such additions since 1939.

This year's program includes installation of more than 17 miles of 16-inch pipeline just east of Edmonton to complete the third full-length transmission line to the Viking field station.

The company extended service to 4,108 new consumers during 1948 and expects to service at least 4,000 more customers in 1949.

Five new wells will be drilled in the Kinsella field and approximately 14 miles of gathering lines will be installed. This will increase the number of connected wells to 57 and provide an open flow capacity of 765 million cubic feet per day.

Construction materials, especially steel pipe, are still in short supply and the 1949 program depends on materials availability. The 16-inch pipe for the transmission line from Viking comes from an English order placed earlier.

Edmonton Citizens Beat Tram Fare Boost

From Our Own Correspondent

EDMONTON — In an effort to bring the Edmonton Transit System "out of the red," city council has voted to increase streetcar and bus fares.

Effective immediately, fares were set at three for 25 cents or 14 for $1. Formerly they were four for 25 cents or 17 for $1. Eighteen months ago, Edmonton boasted a five-cent tram fare.

The latest increase was bitterly opposed in many quarters. City council was split 5-5 on the increase and Mayor Ainley's vote was necessary to decide the issue.

With the increase imminent, Edmontonians in the weeks prior to its implementation, stocked up on 500,000 tickets at the old rates. This represent a loss of more than $41,500 to the transit system and drew the ire of Mayor Ainley who declared citizens were "showing no public spirit by gypping and sabotaging their own public transit system" in this way.

CGE Sherbrooke Depot Opening Seen by 300

Some 300 businessmen of Quebec's rich Eastern Townships industrial area attended ceremonial opening of Canadian General Electric Co.'s newly built Sherbrooke depot. Two story 19,000 sq. ft. reinforced concrete, brick and stone warehouse and office is equipped to show and store, service and test electrical equipment, with staff of 14 headed by manager A. H. DuChene.

Provincial Roundup

British Columbia

"Politics Ruins Government": Approaching three score and ten, and in failing health for two years, Health & Welfare Minister George Pearson last week at Victoria defied convention with a homily on the shortcomings of political practice. Bidding fellow members "stick to your principles," Pearson's voice broke and tears showed when he declared "politics is the ruination of government. Day after day in the chamber we attack one another, then shake hands in the corridor. I have been bitterly disappointed year after year at not being able to do what I wanted to do."

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Alberta

Change Pipeline Plan?: There's a threat to the West's provincial conservation regulations in Ottawa's plan to incorporate oil pipeline companies by private bill—rather than by letters patent from the secretary of state. So protested Attorney-general Joseph Maynard. Passed without quibble, his motion against private bill incorporation of Western oil pipeline companies promply went to other Western capitals for what might be shaping up as an all-Prairie demand on Ottawa.

"Stockateers" Warned: Alberta's Public Utilities Commission at Edmonton is investigating new complaints by Eastern stock promoters, Chairman G. M. Blackstock disclosed last week. Promoters withholding or scrambling facts could expect trouble in the West, Mr. Blackstock intimated.

Coalmen Mad at CPR: Recent decision of Canadian Pacific Railway Co. to burn oil instead of coal on the Calgary-Edmonton run and through the Crow's Nest Pass is being protested by Alberta-B. C. coal workers and operators. Last week, the coalmen's beef was brought to Ottawa by a CCF-er (Rev. James Mathews, Kootenay East, B. C.): "This is the beginning of the end for our Western coal industry," Mathews angrily told the Commons.

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Saskatchewan

Food Market Puzzle: Why is food production declining in Canada in the face of rising world demand? CCF Saskatchewan's Agriculture Minister Nollett last week charged that trade policy of Ottawa's Dept of Agriculture is at fault. He said food contracts with Britain, apart from wheat, have shrunk out of sight; demanded a food market policy "in the best interest of Canadian farmers."

Squandering in Brick?: The government brick plant has been "winterized" at $150,000 and then found unprotected against winter, according to W. J. Patterson, Liberal, Cannington. He charged the Saskatchewan experiment in socializing industry has been successful "only where compulsion, the monopoly principle, was applied"; complained that Premier Douglas is inconsistent in welcoming private capital to the province while serving notice that the CCF government is dedicated to eradication of capitalism.

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Manitoba

A Look to the Left: The government last week took a look to the left. Cocking an inquisitive legislative eye at the eyeglass industry, Winnipeg gave notice it will ask whether Manitobans can gain from Saskatchewan's idea of socialized industry. The legislature decided to set up a special committee to inquire into manufacture, sale and distribution of eyeglasses. The decision followed the House's conditional approval of Liberal-Progressive William Seraba's resolution that the Manitoba Government set up a factory to distribute eyeglasses at cost.

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Ontario

"Two-by-four Joint:" "I never saw such a two-by-four joint in my life," the only woman member of the Ontario legislature said as she gave farmer-Conservative Tom Kennedy's government a going-over about poor accommodation. Agnes Macphail (CCF East York) said the government should be ashamed of its headquarters, complained there's no fit place for members to work; no filing cabinets "and even the chairs in the chamber are dangerously wobbly."

Mitch Won't Sit? The legislature's art committee should get cracking and get the portraits of former premiers painted and hung, complained CCF leader E. B. Jolliffe. Admitting there had been a "bewildering succession" of premiers in recent years, Mr. Jolliffe said the only new portrait he's seen was that of Gordon Conant. He said Harry Nixon and Mitchell Hepburn were still to be done.

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Quebec

Know How: Quebec mayors and municipal councillors can read and write. It's recognized by law now. The legislature last week voted to repeal a statute requiring that local legislators must be literate. Reason: the old measure gives the false impression that they aren't.

See Revenue Slump: The Quebec government expects provincial revenue to fall 10% from the record $194 millions in the current fiscal year to $177 millions in the year opening April 1, according to Provincial Treasurer Onesime Gagnon in his budget speech last week. He said incomplete figures for the current period indicate a surplus on ordinary account of $40.7 millions and that capital spending at $66.5 millions will leave a net deficit of about $25.7 millions. In turn, spending will be trimmed; the roads budget to $36.7 millions, from $63.6 millions.

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New Brunswick

Liberals Crowd Fredericton: There's striking change in the makeup of N. B.'s 41st legislature, to open Tuesday. At prorogation May 4 there were 36 Liberal members, 11 Prog-Cons, one Independent. This time, 47 Liberals, 5 Prog-Cons. The four new seats have been added through increased representation in Madawaska, Restigouche, Gloucester and Moncton city (all Liberals).

Expect Israeli Ships: First trans-Atlantic ships flying the Israeli flag are scheduled for operation soon and to make regular calls at Saint John. New York reports organization of Israeli-America Line Ltd., Haifa with expected early March delivery in New York of a Victory-type ship bought from a Canadian firm, and plans to buy others.

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Nova Scotia

No Time for Fireworks: What is expected to be the shortest and most amiable legislature session ever, opens Wednesday. It may rise by Easter. Preparation for a fall provincial election has priority. Bill for a motorists' safety responsibility law (shelved at first reading last year on the suggestion of its sponsor, Highways Minister Merrill Rawding) may get another year's hoist.

Trenton Back to Work: Dosco subsidiary Eastern Car's 1,000 workers are banging out freight cars again after a month-long shutdown, mainly because of lack of steel. To Trenton storekeepers, Eastern Car's $200,000 a month payroll this week looks better than ever.

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Prince Edward Is.

Free Trade for the Asking?: Ottawa and Charlottetown Liberal governments disagreed on whether Canada can have "free trade with United States if we want it." Premier Jones said so last week in the P.E.I. legislature, adding that "the policy won't be developed until after the federal elections because the Progressive Conservatives "would scuttle it as they did in 1911." In the Commons at Ottawa next day, Prime Minister St. Laurent was doubtful, said he knew of no foundation for the Jones statement.

$1.3 Million Deficit: Outlay $7.28 millions, income $5.96 millions, deficit $1.32 millions for P.E.I.'s fiscal year ended last March are reported by acting provincial secretary-treasurer Premier Jones.

Rates Up, But no Power: Recent rate increase for Champion Electric, of O'Leary, has been stymied by act of Providence. Champion's Diesel-electric plant burned to the ground with $25,000 loss only partly insured, and 200 homes, important industries are groping along without power. Provincial government assistance is sought to extend a line 16 miles from Mount Pleasant airport (now served by Summerside's municipal plant) to O'Leary.

PROVINCE OF MANITOBA sold $6,700,000 debentures dated March 1, 1949 at a price of $99,205, equivalent to an overall yield rate to the province of about 3.08%, to a syndicate comprised of Royal Securities Corp., James Richardson & Sons, Nesbitt, Thomson & Co. and Cochran, Murray & Co. The issue consists of $2,700,000 3% debentures due March 1, 1957 and $4,000,000 3% debentures due March 1, 1964.

Proceeds are to provide for the retirement of $5,700,000 treasury bills and $1,000,000 new money for the Manitoba Telephone System. Funds are provided for: $3,000,000 Manitoba Telephone System, $2,875,000 Manitoba Power Commission, $450,000 for University of Manitoba buildings and $375,000 for highways.

AUBELLE MINES Feb. 17 installment of 100,000 shares at 10c a share under agreement with Winslow Agency has been extended for three months.

AUMAQUE GOLD MINES advises 59,500 shares were sold on open market at average price of 33c a share Feb. 11-18, leaving 40,500 shares in treasury, 3,459,500 outstanding.

OUR ACTIVITIES DURING 1948
$74,000,000
of
INVESTMENT SECURITY
TRANSACTIONS

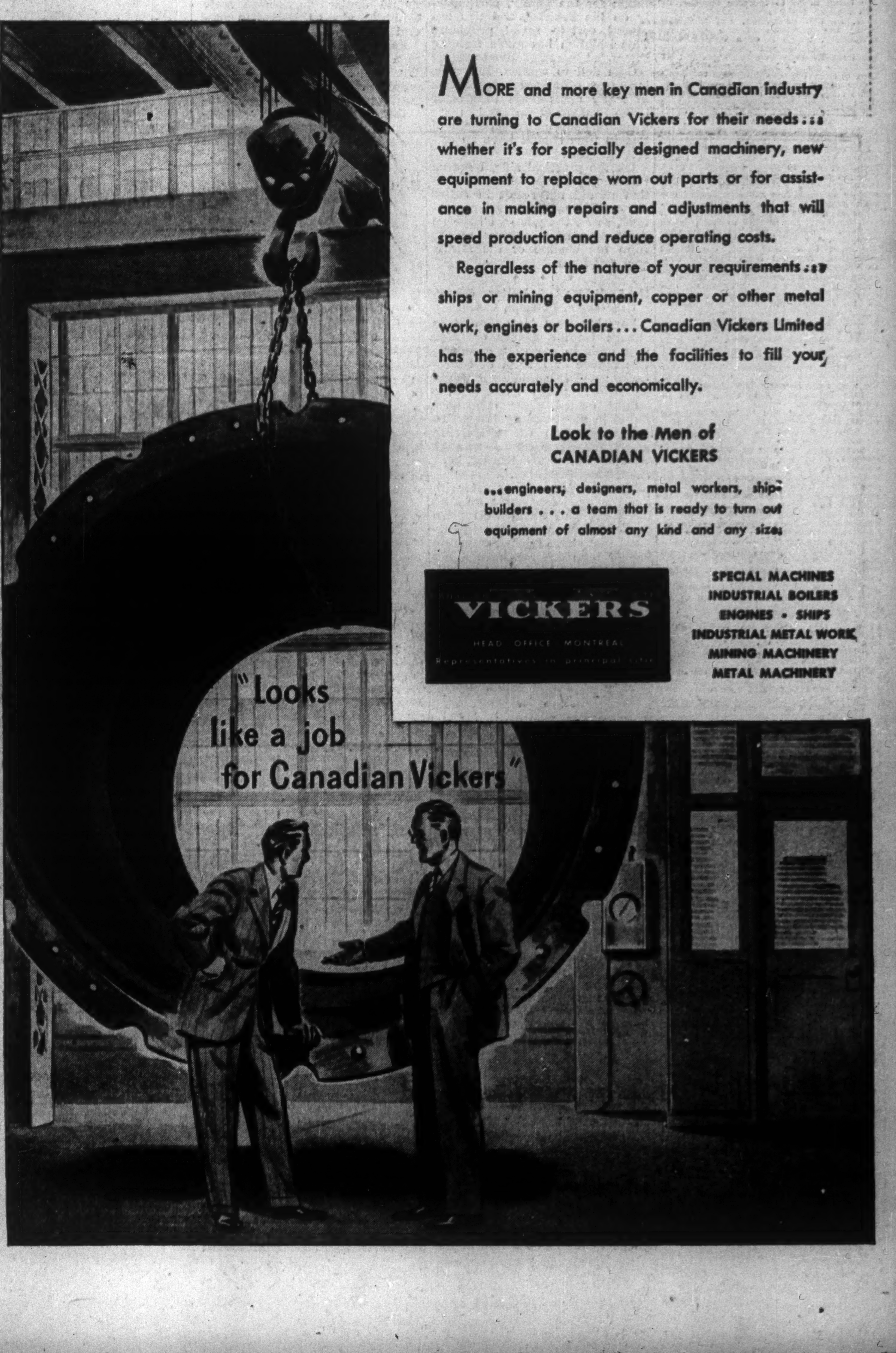
In the past year we have underwritten the following issues:

Province of Quebec
School Commission Town of l'Assomption
Municipality of Gaspe
Town of L'Abord a Plouffe
School Commission of Carleton sur Mer
School Commission Village of St-Coeur de Marie
Les Peres Eudistes de la Province de Quebec
College Bourget (Rigaud)
Soeurs de Misericorde d'Alberta
Les Religieuses de Notre-Dame du Sacre-Coeur
Les Religieuses Hospitalieres de St-Joseph de l'Hotel-Dieu de Sorel
La Congregation des Soeurs Hospitalieres de St-Joseph du Nouveau-Brunswick
Les Filles de Marie de l'Assomption
Fashion-Craft Mfrs. Ltd.
Fred A. Lallemand & Company Limited
Librairie Beauchemin Limitee
Lido Biscuit Cie Limitee
Martineau Cut Stone Co., Ltd.
St-Hyacinthe Furniture Limited
Grenache Inc.
Biron Knitting Mills Ltd.

We have also participated in the following issues:

Canada Savings Bonds—Third series
Province of Ontario
Province of Nova Scotia
Canadian National Railway Company
City of Vancouver
School Commission Town of Megantic
Quebec Telephone Corporation
Massey-Harris Company, Limited
Traders Finance Corporation Limited
J.-A. Farland & Fils Limitee

Crédit Interprovincial, Limitée
Investment Dealers
210 Notre Dame Street West, Montreal Telephone: LA. 9241
65 St. Ann Street, Quebec Telephone 2-1852



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GREENING
CANADA

Canadian Savings Sustain Prosperity

What Post-war Capital Spending Means to Canadian People

What does capital investment mean to the Canadian economy? How does it affect the levels of employment and income and the general welfare of the average Canadian?

The Financial Post presents here a digest of an important study by the Economic Research Branch, Department of Trade and Commerce, on the postwar investment boom and its relation to inflation.

In 1948 Canada spent about $3 billions on durable physical assets, including expenditures on new construction, major improvements and alterations and purchases of new machinery and equipment, both domestically and foreign produced. Compared with 1929, this is more than twice as much in value terms and about one-third more in volume terms. Compared with 1939, the current investment program is about four times as great in value terms and twice as large in volume terms.

More than three quarters of the investment program is currently privately-initiated. In the past 20 years, private investment has fluctuated more substantially than public investment. In 1948, private investment was in volume terms more than twice its prewar level. Public investment was up by only two-thirds.

In 1945, one half of the total investment program was for business purposes. In 1948, this proportion was up to 62%.

Exports and investments are two pillars of prosperity, currently of almost equal size in absolute terms . . . The evidence supports the contention that investment has been a more volatile factor than exports. In the light of this historical record, the general complaint that the low levels of employment and income in Canada are largely associated with a decline of exports should be supplemented by consideration of domestic investment and other factors.

Accumulated demand for investment projects at war's end is put at $12 billions (in 1945 prices), including $6 billions for business, $2.5 billions each for housing and governments and $1 billion for institutions.

In the post-war period, sufficient domestic supplies of net export commodities (lumber, asbestos, gypsum, copper, lead, zinc, and nickel) were assured through export controls to meet the urgent demands of the investment program. However, net import commodities particularly coal and steel, remained in short supply. Canada's steel shortage is estimated at 10 to 25% of her current consumption. This it is claimed is one of the contributory factors to the inflationary tendencies notable in the first three postwar years.

Since 1945, the construction labor force increased by two-thirds, building material production between one-half and three-quarters, and the number of construction companies by more than one-third. On the whole, demand for construction resources exceeded supply towards the end of 1948. Most construction firms were still working at or near capacity, and had work on hand for from nine to 15 months.

Between 1939 and 1948, construction material prices have risen 118% and construction wage rates 71%, or a weighted increase of 97%, but total construction costs are 10 to 20% higher, because of declines in labor, operating and managerial efficiency and substantial profit increases.

Direct Employment Effect

The direct employment effect of the investment program in 1948 is put at one million persons, of whom 750,000 would be employed in Canada and 250,000 abroad working on the production of materials, machinery and equipment imported into Canada for ultimate use in the investment program. The income effects are proportionate to the employment effects.

The impact of business investment will vary depending on the type of capital expenditures, the line of business and the timing. Effects of particular importance in the postwar period include: (1) increased output, (2) improved quality, (3) expanded exports, (4) new employment opportunities, (5) industrial diversification, (6) greater utilization of Canadian resources, (7) increased efficiency, (8) improved working conditions, (9) impact on prices. The last is a particularly important matter. Consumers are frequently not fully cognizant of the increasing price consciousness on the part of business in the postwar period.

Had investment been cut in 1948 by 10%, the effect on the official cost-of-living index would have been slight. At most, it would have prevented the index from rising by 2 or 3%. An attempt to cut the investment program by a substantial portion would probably have led to a decline in output of the nation as a whole and a lowering of the real standard of living.

Short-Term Outlook

The postwar investment boom in aggregate appears in volume terms to have come close to a peak in 1948. The possibility that 1948 might turn out to be the actual peak in the immediate postwar period cannot be precluded. Nevertheless, substantial elements of strength are continuing, and are likely to offset largely if not actually exceed the weakening in some of the other sectors already noticeable. Differences in strength should become more apparent in individual investment sectors in the next two or three years.

(a) **Investment in manufacturing and primary industries** has shown signs of weakness, and a lower level of investment activity in these fields in the next two or three years may be anticipated.

(b) **Investment plans** of most utilities are still on the increase.

(c) **Investment in commercial, merchandising and service groups** shows different trends, with elements of strength counter-balanced by elements of weakness. On the whole, this sector should be able to avoid any significant decline in capital expenditures over the next two or three years.

(d) **Institutional investment** has still a large backlog to make up and high levels of activity are likely in the immediate future.

(e) **Housing** is a doubtful element of strength. There is at present no concrete evidence of slackening demand for housing, but high building costs relative to income levels suggest that the peak of the privately-financed housing boom may be in sight and a turning point for the immediate postwar period may appear between 1948 and 1950.

(f) **Many federal, provincial and municipal projects** presently being postponed could be carried out when business investment declines. Direct government investment therefore presents an element of strength.

(g) **Some expansion of preparedness activity** is likely as Canada's contribution to Atlantic security. Some of the expenditures would directly affect the investment program, while others would affect capital goods industries, although their product may appear as exports if supplies and equipment are shipped abroad.

(h) **The outlook for inventory accumulation** in the non-agricultural sector for the near future is one of continuation of the present cautious attitude on the part of business. In national terms, the annual rate of inventory accumulation should decline. In the agricultural sector, weather and other natural factors and foreign demands remain the two main variables effecting changes on the volume of inventories.

(i) **Aggregate investment**: Allowing for the various forces tending in different directions, aggregate investment in its broadest sense, that is, including expenditures under the preparedness program, is likely to remain at high levels over the next two or three years. This appraisal is based on current observable trends. It is not a forecast because there are circumstances presently not foreseeable that could change the course of investment and affect the composition of the program.

Long-Term Outlook

Any attempt of looking beyond 1950 or 1951 is of necessity shrouded in much more uncertainty than an appraisal of the short-term outlook. Several broad observations can be made:

(a) **Fluctuations of investment** occurred in the past. They are likely to occur again. It is almost certain that attempts will be made in both Canada and the United States to reduce the degree of fluctuations and to mitigate the effects on employment and income of whatever changes may occur.

(b) **The Canadian economy is a growing economy.** To provide new workers with the necessary capital and new families with the necessary housing and other essential facilities may involve, at the 1948 rate of increase, an annual expenditure of $700 millions (in 1948 prices), or about one-quarter of the current investment program. A large part of the future investment program will consist of replacement of worn out and obsolete equipment if the stock of capital of the country is to be maintained at high standards of efficiency.

(c) **The trend in Canada** is toward more processing and fabrication of Canadian materials. Industrial research is increasing. Canada has also been fortunate in obtaining the results of research undertaken in the United States and the United Kingdom in the past, and is likely to benefit in the future. Both factors would tend to increase the demand for capital per worker. There is also increasing evidence of government encouragement to peacetime industrial development.

(d) **Efforts to liberalize** and stabilize international trade — even if progress is slow — are likely to have salutary effects on investment decisions.

(e) **Investment for security** purposes is likely to loom larger than it ever has before in a peacetime period.

(f) **Stabilization of investment levels:** Little experience is available as to how to stabilize the levels of investment in Canada or other countries where the volume of investment is largely guided by the decisions of individuals. Much experimentation will be required, and any success achieved in alleviating some of the fluctuations of the volume of investment will not be without initial setbacks and disappointments.

Perhaps the most encouraging sign in sight is the growing recognition and more intensive knowledge by all groups in the country, business, labor, consumer and government, as to what would happen to levels of employment and income and the standard of living should the North American economies continue to allow investment to take the same course in the future as it did in the past.

MURRAY TURNER

has been appointed vice-president in charge of Winnipeg operations for Cockfield, Brown & Co.

Renfrew Textiles Profits Equal '47

MONTREAL (Staff)—Consolidated earnings for 1948 of Renfrew Textiles Ltd. and its wholly owned subsidiary, J. G. Field & Son Ltd., Tavistock, Ont., are expected to approximate those of 1947, The Financial Post is informed. Net profit in 1947 was $37,208, equal to $1.49 on class A preferred and 40c on class B.

Company's new 1949 lines have met good reception, despite some price increases, a company official states. Output includes woolen mackinaws, cloth, tweeds, blanket cloth, frieze shirtings and cloakings. Inventory and working capital position at Dec. 31, 1948 was about same as year before, when these items amounted to $145,155 and $181,728, respectively, it is reported.

Canada Malting Co. Earns About $3.37

Net earnings of Canada Malting Co. for the fiscal year ended Dec. 31, 1948, are expected to be slightly in excess of $670,373 or $3.37 a share shown for the previous fiscal year. While shipments for 1948 were higher, there was an increase in cost. Improvement in working capital position is also anticipated, it is reported.

Seek Bridge Over Banks-Risk Chasm

MONTREAL (Staff) — New sources of risk capital to develop new Canadian industries is a prime need, according to Quebec's industrial commissioners at their recent convention. Opinion was that some type of banking facility was required to bridge gap between chartered and investment bankers and the industry requiring straight risk capital.

Quebec industrial commissioners also adopted a resolution favoring Federal Government legislation to permit establishment of free ports in Canada. They also favored provincial government assistance for new industries and re-opening of Quebec Department of Industry and Commerce London office.

Conference speakers covered such subjects as Quebec geology, industrial immigration, and development of province's titanium industry. Valmore Gratton, speaking on immigration trends, pointed out overseas immigrants entering Canada now are coming to stay whereas before the war this country was often merely a stopover to the U. S.

Mayor P. H. Boivin, Granby, was elected new president of the association; L. McGillis and J. T. Valiquet, first and second vice-presidents respectively; C. E. Amy, treasurer, R. M. Morris, secretary; W. L. Burnie, I. S. McCabe and J. Beique, directors.

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We, as principals, offer these Bonds, subject to prior sale or change in price, if as, and when issued and accepted by us and subject to approval of our Counsel, Messrs. J. S. D. Tory, K.C., and Associates, and of Messrs. Ross, Ross and Field, Counsel for the Company, on whose opinion as to title our Counsel will rely.

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32A-8

What's New

New Products, Applications, and Ideas Gathered from World-wide Sources or Made in Canada for the First Time

End Zipper Crisis?

Crisis caused by a zipper snag may be over. Pull tab on new zipper can be turned in 90-deg. arc, moves cam separating top and bottom parts of slide and freeing material from fabric it's caught on. Zipper then can be closed by moving slide to bottom of track and turning pull tab back to normal position.

* * *

Robot Opens Doors

Electrically-operated Robot door opener unlocks garage doors, opens them and turns on yard and garage lights while operator sits in car. Another button in garage or inside house closes and locks garage door and turns off lights. Electric coil under car radiates magnetism to mercury switch buried under driveway to open doors. U. S. makers claim safety feature eliminates possibility of injury or pets playing near door.

* * *

Combined Stove-Frig

Space-saving combined range and refrigerator now being marketed by U. S. firm features four-burner gas range or two-plate electric range (no oven) on top of standard 4-cu. ft. refrigerator. Makers claim triple layer of insulation between cooking top and refrigerator completely blocks heat. Unit takes up 27½ by 21½ in. floor space.

* * *

100,000 Cards On File

New rotary file, according to U. S. maker, puts maximum number of file cards in small floor space and cuts clerk's time taking out records. Single operator can post up to 100,000 cards in unit without leaving chair, since Rota-File is 5 ft. in diameter with maximum of six tiers; operating on vertical centre shaft, turns complete circle. Removable pie-shaped wedges hold cards in each tier.

* * *

Preset House Warmer

Weather-Chron temperature control gets rooms warm when you want them. It's installed outside building, adjusted for time when rooms inside should be fully warmed up; during night, it automatically shifts time for the heat to go on as temperature changes. Is wired into regular room thermostat circuit, which retains control during the day.

Manufacturers of products which are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respect it is new, and indicate its significance to its field.

Enquiries concerning items in this column should mention the heading to the item, and the date of issue in order to ensure prompt reply.

* * *

Lawn Sprinkler

Aqua-Spray lawn sprinkler, made in U. S., has relay valve with eight outlets, each connected to four sprinkler heads which take care of one section of lawn each. Relay valve sends water through one outlet at time for about a minute, then shunts it to next outlet. Claim intermittent spraying allows time for seepage between spray periods, no surplus water runs off lawn. Heads can be adjusted for accurate spraying of lawns of various shapes.

* * *

Draws Parallel Lines

Paraliner, ruling device attaches to any drawing board, opaquing table or scope. Mechanical setting knob sets any desired line spacing and machine will then repeat this spacing for any desired number of lines. T-square may also be set at any desired angle for cross-hatching. Said to be ideally suited for preparation of offset negatives, duplicating plate, masters and stencils.

* * *

Powder Puts Out Fires

U. S. engineers have developed dry chemical powder extinguisher for use against flammable liquid and electrical fires. One-hand operation with trigger-finger control is afforded by specially-constructed extinquisher. Valveless operation at nozzle end leaves one hand free to direct nozzle to base of fire.

* * *

Aluminum Buildings

Aluminum utility building can be erected in half a day, used for tool shed or turkey shelter or, if put on cement blocks, can be a cottage, claims U. S. maker.

* * *

Plastic in Pigskin

That football you see being kicked round next fall may have a plastic bladder. U. S. firm announces new line of bladders for footballs, basketballs etc., priced lower than traditional bladders. Claim vinyl bladders keep at least 92% of original pressure at least six months.

* * *

Makes Up Books

Fully automatic collating machine can sort 5,100 sheets per hour to make up 50 books of 100 sheets each, U. S. manufacturer claims. Vertically revolving drum consists of 50 compartments into which duplicated sheets are fed automatically. Each compartment is 100-sheet capacity; as each sheet is fed, synchronized drum moves one position, automatically sorting the duplicated copies.

* * *

Harvests Oysters

Giant "vacuum cleaner" now harvests oysters from ocean beds. Dredge blade and nozzle with opening 6 ft. wide, 7 in. high, travels on ocean floor behind rubber-tired dolly pulled by vessel. Centrifugal pump provides suction power through 10-inch hose, pulling in everything within range on sea bed. Half the number of men can harvest same amount of oysters as by old hand-operated steel dredge method, maker claims.

* * *

Can Edit Recorder

Magnetic tape recorder now being manufactured in Canada can be edited with scissors and cellulose tape to give only actual recording required without interruptions. Records for 30 minutes on single reel; entire reel can be erased and rewound in three minutes.

ADVANCED BY READER'S DIGEST

ANDREW J. CONDUIT

CARL M. DETTMAN

David B. Crombie, Director of Advertising for The Reader's Digest Association (Canada) Ltd., announces the appointment of Carl Dettman as Eastern Advertising Manager with headquarters in Montreal and Andrew J. Conduit of Toronto as Western Advertising Manager. Mr. Dettman, who has been with the Canadian Reader's Digest for the past year, was formerly Advertising Manager of the Windsor Star. Mr. Conduit served on the staff of New Liberty magazine until joining the Canadian Reader's Digest staff last April.

This announcement coincides with further expansion planr for both English and French editions of the Canadian Reader's Digest, including the operation of a new magazine printing press in Montreal—the most modern in the world—and an enlarged export program, sending abroad monthly more than 80,000 copies of the English and French Canadian editions.

*

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COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

SISCOE GOLD MINES net profit was down 42.5% in 1948 when operations at Siscoe Mine were conducted on a reduced scale and largely as a salvage operation. Operations are presently being carried out on a week-to-week basis, but it is certain that production will not long be continued, President J. B. Lynch states.

Although present cost-aid assistance received from the Dominion Government is negligible due to diminished production the company would receive substantial assistance under the proposed amendment to the Act to give marginal operators greater aid, he adds.

Results at silver mine of subsidiary, Siscoe Metals Ltd., would indicate that with delivery shortly of power from Ontario Hydro, operations may be conducted at a small profit and that an adequate development program may be carried on to test ore possibilities.

Operations of Suzorite Co., a subsidiary, were interrupted by move in April from Shawinigan Falls, Que., to Cornwall, Ont. and subsequently by a fire at Cornwall plant. Large interest was acquired during the year in Silver Giant Mine, a promising B. C. lead property.

INCOME ACCOUNT

Years Ended Dec. 31:	1948	1947
Production	$591,140	$756,112
Less: Oper. exp.*	542,317	590,047
Net oper. earn.	48,832	106,065
Add: Other inc.	49,409	41,684
Cost aid assist.	8,332	......
Total net earn.	106,573	207,749
Less: Deprec.	23,961	28,422
Res. for taxes	5,059	44,818
Net profit & surplus	77,553	134,509

*Including outside exploration expense.

Earnings per Share and Dividend Record:		
Com.: Earned	$0.016	$0.028
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1948	1947
Cash & bullion	$75,000	$184,586
Accts. rec.	35,947	11,594
Cost aid assist.	8,332	......
Invest., at cost	732,165	797,591
Supplies‡	108,493	181,046
Total curr. assets	959,937	1,174,817
Prepaid charges	7,898	7,450
Claims & props.	3,797,390	3,797,390
Exp. & adv. of co.	1,313,833	1,062,928
Plant & equip.ꜜ	31,739	37,667
Total assets	6,110,797	6,080,252
Accts., etc., pay.	40,146	42,067
Tax provision	9,880	85,324
Total curr. liab.	50,026	127,391
Capital stock	4,750,000	4,750,000
Surplus	1,310,771	1,202,861
ꜜLess depr. res.	1,353,749	1,370,301

‡Incl. in deferred assets in co's. report.

Working capital	909,911	1,047,426

OPERATING STATISTICS

	1948	1947
Tons milled	67,222	71,262
Average recov.	$8.79	$10.61
Ore reserves, tons	11,928	33,869
Grade ($35 gold)	$7.64	$10.74

Duncan Machinery Co. Sells Colonial Line

D. M. Duncan Machinery Co., Windsor, Ont., and Toronto, is named Canadian sales representative for broaching machines and broach sharpeners made by Colonial Broach Co., Detroit.

Public Utility Earnings

November:	1948	1947
Gross earns.	$1,555,861	$1,675,955
Oper. expenses	1,395,047	1,295,295
Int. & sink. fund	185,000	185,000
Net earns.	*24,186	195,660
Eleven Months		
Gross earns.	18,584,649	18,151,164
Oper. expenses	17,359,087	15,488,613
Int. & sink. fund	2,035,000	2,065,000
	*809,438	597,551

*Deficit.

Above figures are subject to final adjustment when annual accounts are made up.

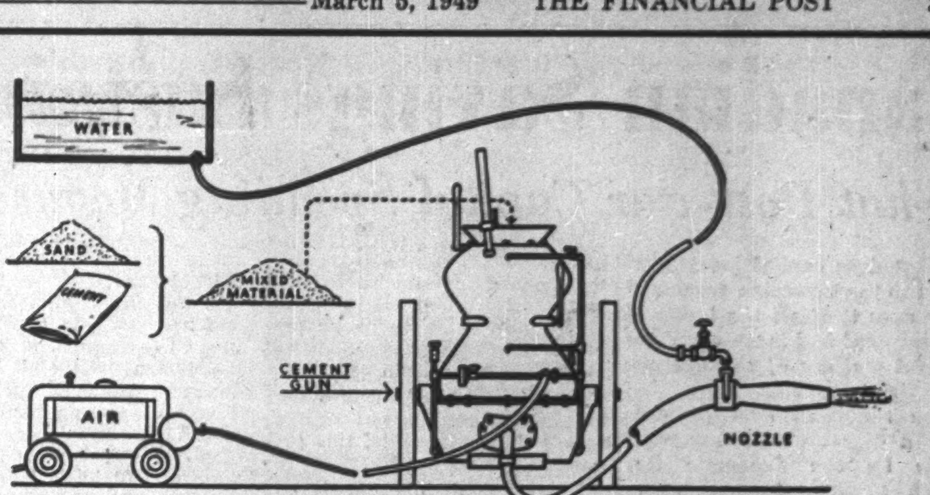
Cut Down Noise In Paper Mills

A solution for one of the major noise problems in paper mill operation was revealed in New York last week by a member of the Kimberley-Clark Corp.'s physics research staff. The invention for eliminating suction roll noise will be made available to the industry in Canada as a means of further improving working conditions in pulp and paper industry mills, E. S. Noble, vice-president of Kimberley-Clark Corp. of Canada, announces.

As a result of steadily increasing machine speed manufacturers have found that the suction roll noise — a steady loud "musical" note of fixed frequency and typical of fast running paper machines—has increased. It has been felt that such noise has been a fatigue factor in paper mill work and a growing "nuisance" factor during warm weather months when open windows and atmospheric conditions have made the sound audible over large areas.

Installation of equipment on nine of the Kimberley-Clark's creped wadding machines indicated its effectiveness.

As a result of its research work and the nine successful installations. Kimberley-Clark and the Beloit Iron Works of Beloit, Wis., manufacturer of paper mill equipment, have been approached for help by Canadian paper mills who have the same problem with their high speed newsprint machines. "Both companies have indicated their willingness to make the invention generally available to the industry in Canada," Mr. Noble said.



WHAT IS GUNITE?

Gunite has been defined as a dry mixture of cement and sand (or other aggregate) applied pneumatically by means of a "Cement Gun", and hydrated at the nozzle immediately before projection against the working surface.

Gunite is designed for a much higher compressive strength and is denser than concrete. Its density resists the entrance of water which is the commonest cause of disintegration in concrete—the alternate freezing and thawing of the moisture which has penetrated the surface. In concrete repair work the bond obtained between Gunite and a properly prepared surface is stronger than the concrete itself. Gunite can be applied in any thickness, with or without reinforcing.

Gunite is used extensively for the construction of thin waterproof curtain walls in industrial plants; restoration of old concrete structures, dams, old brick and masonry buildings, grain elevators, etc. Gunite is ideal for encasing structural steel to provide fire resistance and additional strength.

GUNITE AND WATERPROOFING LIMITED
Toronto MONTREAL Halifax
Incorporated 1932

Crown-Domin. Oil To Change Setup

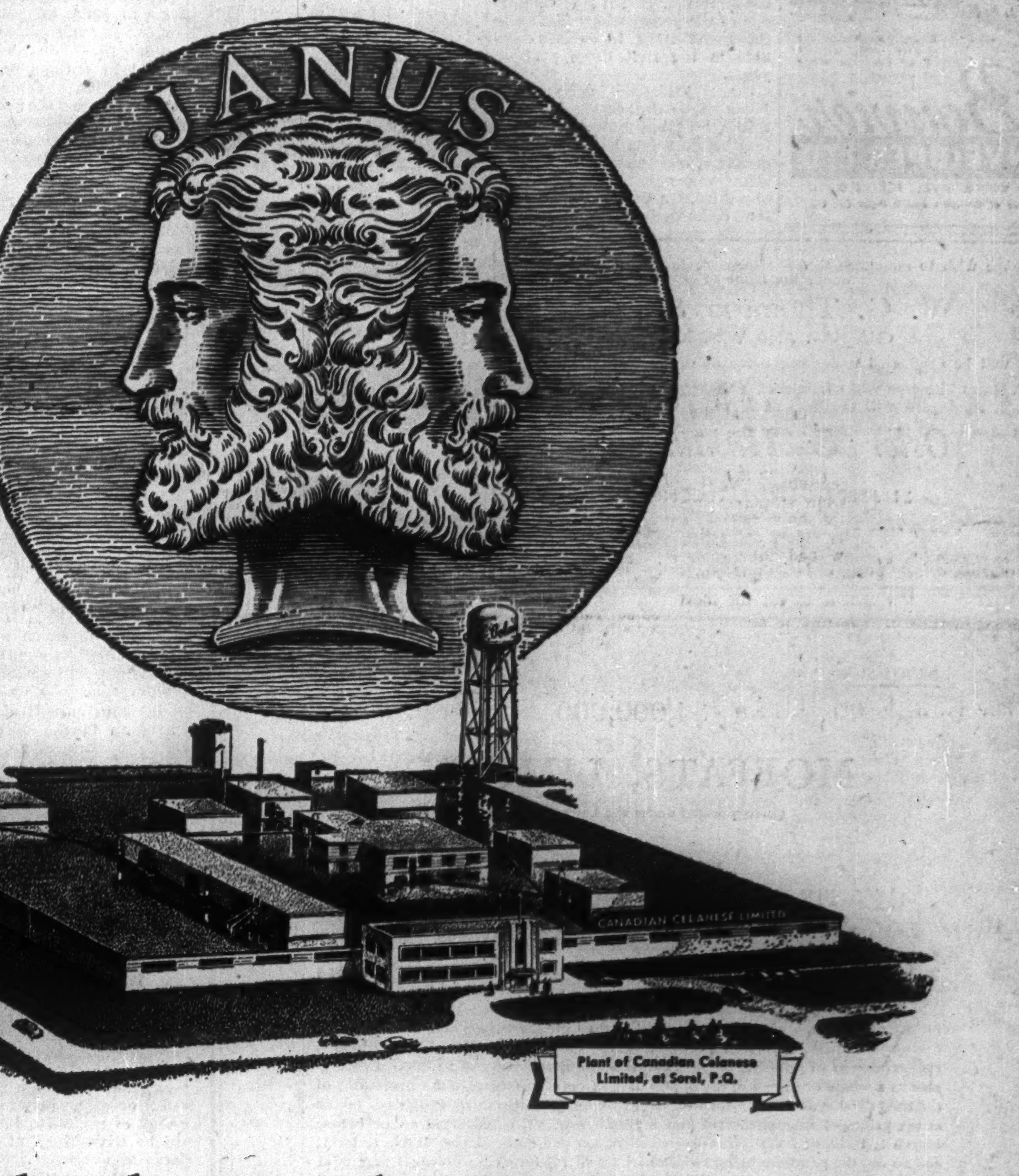
Shareholders of Crown-Dominion Oil Co. approved new capital structure and change in company name to Reliance Petroleum Ltd., at a special meeting Feb. 15.

Present issued capital of 77,271 common shares, no par value, will be reclassified into 25,757 non-voting class A shares and 25,757 class B shares. Shareholders will receive one class A and one class B share for each three common shares held. Number of class A and B shares authorized will be increased to 150,000 and 50,000 respectively and new issue of 25,000 4½% preference shares, $50 par, will be created.

Present common shares of Crown-Dominion Oil Co. were removed from the curb market of Toronto Stock Exchange on Feb. 24, 1949.

Earnings for 1948 are expected to compare favorably with the $80,990, equal to $1.05 a share, shown for 1947. Sales volume in 1948 was higher than 1947 but operating costs continued to rise, it is stated.

LOUVICOURT GOLDFIELD CORP. has received payment for 25,000 shares at 40c a share, part of Feb. 13 installment under agreement with Elaine Agency Ltd. Balance of agreement has been terminated by mutual consent. By agreement dated Feb. 22, Elaine Agency Ltd. has underwritten balance of treasury stock, 125,000 shares, at 30c a share. Upon issue of these shares, 4,250,000 shares will be outstanding.



Plant of Canadian Celanese Limited, at Sorel, P.Q.

Let's look at the past as a guide to the future!

Janus—the ancient Roman god who looked both backward and forward—used the past to foretell the future.

So, too, we today can often forecast the trend of things to come from the record of events that have already become history.

For example, few people indeed—a scant twenty years ago—foresaw that, within two decades—Canada's most eminent designers would be choosing synthetic fabrics above all others for a wide variety of purposes. *Yet this has happened!* Today, Celanese fabrics—brought by constant research to the highest degree of excellence—are preferred products in their own rights . . . products which—because of their adaptability, fine appearance and easy styling—have tremendously extended the scope of the converting industries.

And now a new range of Celanese fabrics is becoming available in growing volume for men's and women's wear. Unique in wearer comfort and satisfaction—planned and developed individually for specific end uses—these fabrics are of types which will literally create their own demand. The warmth of the welcome which these new fabrics will receive is suggested by the success of Celanese in fields already won. *As a guide to the future let's look at the past!*

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The Financial Post

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Do Your Stock Market Hunches Pay Off?

How Girls' College and Others Stem Impulses—and Profit By It

Formula planning has won some eager converts in the United States as a system of operating investment accounts. Some large insurance and trust companies and a few university finance committees operate on one or more of the several plans in the formula system. More recently the system has been winning interest in Canada. R. M. McKay, Toronto market student and proponent of this system here presents the highlights.

By R. M. McKAY

Are you swayed by your emotions when it comes to trading in the stock market? Do most of your "buy" and "sell" orders arise from on-the-spur-of-the-moment decisions?

Here's what we mean:

Several weeks ago a Toronto investor visited his broker with the firm intention of selling 100 shares of a popular high-priced base metal stock. He had analyzed the possibilities of the stock thoroughly the night before. Past market action and earnings outlook spelled the one word SELL. What did he do? He ended up by buying 100 shares more. Why?

When he got to the brokerage office, the market was staging a little rally. His stock had risen a point. Several friends he talked to were buying. At the moment everything looked rosy. Subsequently the stock has dropped $10 a share.

The trader's worst enemy in the market is every form of external suggestion and the sooner he realizes that, the sooner his trading results can be recorded in black rather than red ink. Time and again the impressionable trader is drawn into buying stocks when the market looks good and selling them when the market looks bad, when more often than not he should be doing just the opposite. When prompted solely by market "atmosphere" he often buys stocks in the last quarter of a rise, sells them in the last stages of a decline.

How can the trader overcome that psychological enemy?

Along about 1938 a few investors, mainly institutions, took a realistic look at themselves and came to the conclusion that they were unable to predict which way the market was going. They decided they must have some method of controlling their emotions. They said to themselves, "We will decide in advance to sell our stocks at certain points, regardless of now favorable they look, and also to buy stocks at certain points, regardless of how bad they look." This has come to be called "formula planning" and my view is it is by far the most foolproof method of investing so far.

Certainly in actual results, the plan has worked well for some famous U. S. institutions.

The Formula Plan Principle

Briefly, the principle is this: Stocks are sold in a rising market and bought in a declining market.

This is accomplished by dividing the investment fund into two parts, one consisting of stable funds, such as bonds, dividend paying preferred stocks, and cash, and the second part consisting of nondividend-paying preferreds, common stocks, or defaulted bonds. As the market goes up, the common stocks will go up faster than the stable portion of the funds, so some stocks are sold and bonds purchased. If the market goes down, bonds are sold and stocks purchased.

The principal benefit of a formula plan, outside of a long-term capital appreciation, is the peace of mind it brings. You do not care whether the market goes up or down, because if it goes up you will take profits and if it goes down you will buy stock at a much lower price than your last sale.

Of course there are infinite variations of this principle, but on analysis they divide themselves into three main groups which have been given the names—Constant Dollar Plan, Constant Ratio Plan, and Variable Ratio Plan.

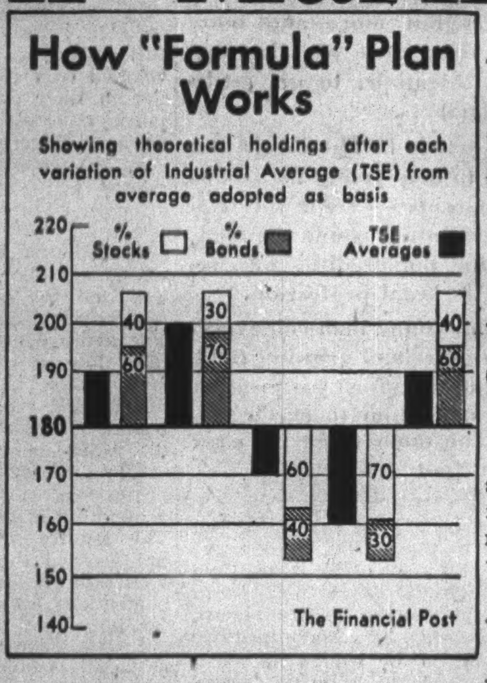
The Constant Dollar Plan is the simplest and for this reason it appeals to many investors. This is the way it works. Suppose it is a $20,000 fund. $10,000 is placed in common stocks and the remainder in bonds. If the stocks portion goes to, say $12,000, $2,000 worth of stock is sold and bonds purchased. Action is taken at predetermined points on the Dow-Jones industrial average, at a predetermined percentage rise or fall in the common stock fund, or at uniform intervals of time, say three or six months. In essence, action is taken under certain predetermined conditions to return the stock fund to its original amount. The only forecasting of the market involved under this plan is where the bottom will be. You have to insure that there is sufficient money left in the bond portion so that purchases can be made all the way down.

The Constant Ratio Plan involves no prediction of either the direction or extent of any market move. You simply decide the percentage of the fund which will be invested in stocks and the percentage in bonds. Adjustments back to their original ratio are made under any of the conditions mentioned under the Constant Dollar Plan.

The Variable Ratio Plan is similar to the Constant Ratio Plan except that the ratio of money invested, at current market value, in common stocks compared to that in bonds is decreased as the market goes up, and increased as the market goes down. These plans, to a certain degree require prediction as to the extent of the market fluctuations although it is possible to design a plan which will take care of any fluctuations.

Selecting Median of Variable Ratio

The first problem under a Variable Ratio Plan is to decide at what point a 50-50 ratio will be held. This point is usually called the median. The most common way to choose a median is to use the Dow-Jones industrial average and to decide on a certain point in the average at which a 50-50 ratio will be held. The accuracy of the choice of the median is not as important as would be imagined as long as it comes within the range of market fluctuations. In general, choosing a low median will give greater stability of principal, smaller capital appreciation, and lower income, while choosing a high median will give greater capital appreciation, higher income, but less stability of principal. The accurate choice of median near the centre of a market fluctuation becomes of greater importance if a delaying action is used, for instance.



The basis for the "Variable Ratio Formula Plan" operation shown graphically here is: to hold 50% bonds, 50% stocks when the Dow-Jones Industrial average (TSE) is at 180. When the index rises, stocks are sold and bonds bought in the proportion of 10% for each 10-point rise; when the index falls, bonds are sold and stocks bought in the same proportion.

The next problem under a Variable Ratio Plan is that of deciding the likely range of market fluctuations and also the points within the range at which action will be taken to change the ratio. Some plans do not attempt to predict the range of fluctuation. They simply allow the averages to vary from zero to infinity. In general, the more accurate the estimate of probable fluctuation, the better will be the performance of the plan.

How Successful is the Plan?

A number of American universities have adopted formula plans for investment of their endowment funds. Here is the record of Vassar College. The Variable Ratio Plan started in 1938, applied to approximately one third of the Vassar endowment fund. The amount was $3 millions, subsequently changed to $5 millions. A variable stock bond ratio plan based on the Dow-Jones industrial average was used. The median was decided annually by the finance committee. It was started at 135 for the Dow-Jones industrial average, reduced to 130, returned to 135, raised to 140 in 1946, and to 145 at the beginning of 1947.

Stocks were not purchased above or sold below the median. A 50-50 ratio was maintained at the median. Purchases were made at 130, 117, and 105 in approximate equal amounts and with the Dow-Jones industrial average at and below 105 the fund was 100% in stocks. Sales were made at 160, 176 and 194, again in equal amounts, and at and above 194 the fund was 100% in bonds. High-grade bonds or dividend - paying preferred stocks were used as the bond portion. Defaulted bonds, nonpaying dividend stock and common stocks were used for the stock portion.

The results of the plan speak for themselves. At the end of 1943, the fund showed a capital gain of 23.7% as compared with 1.5% increase in the Dow-Jones industrial average. Unfortunately the fund was completely out of stocks in 1945 and at 194 on the averages, and thus lost a good deal of the 1945-6 advance. However, when the '46 crash occurred the averages dropped from 210 to 167 or 20.5% but the Vassar fund decreased only 1.25%. As purchases were not called for above 145 on the averages, no action has been taken since 1945. However, a year ago $1 million was invested outside the plan in common stocks on a more or less permanent hold basis.

Selecting a Plan

Which plan to choose depends on individual preferences.

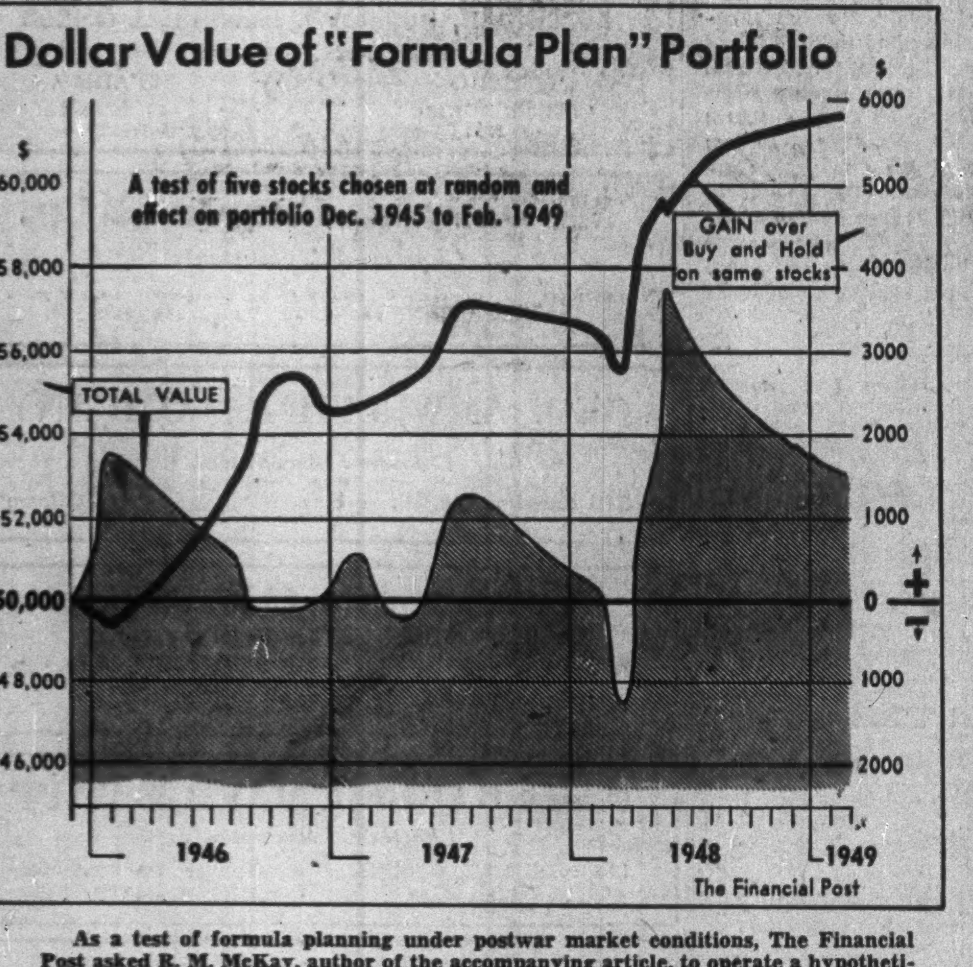
The Constant Dollar Plan is the simplest but requires forecasting as to how far the market will go down.

The Constant Ratio Plan is simple and requires no prediction whatever. Its mathematical performance, however, is not quite as good as the Constant Dollar Plan.

The Variable Ratio Plan, as a rule, gives better performance than either, but does require a certain amount of prediction for best results.

An Ohio investment counselor invested $1 million fund for three years prior to 1938 without the use of a plan. Under normal expectancy, the fund should have increased 5%, but it actually decreased 11%, which is a 16% loss of principal in relation to normal expectancy. A simple Constant Ratio Plan was than adopted and during the next 8½ years the increase in principal over normal expectancy was 14%. This plan simply adopted a 50-50 ratio which was adjusted whenever a marked difference in the ratio existed.

The big point in favor of formula planning is that it reduces the influence of emotions in trading transactions, and this in itself usually pays off over the long run. Under the Variable Ratio Plan, for instance, the investor's most vulnerable position—when he holds the biggest ratio of common stocks to bonds—comes after a fairly prolonged downturn in the market. But at that time the chances are away better than even that the market will stage a rally, if nothing more than a technical one. Being largely in common stocks at that time, the investor is in the best position to profit from it. The formula planner, of course, doesn't make the maximum out of a prolonged market upturn. He is cashing in on his profits at certain predetermined points and reinvesting them in bonds—but how many planless traders are lucky enough to sell at top? Most of them will liquidate on the subsequent decline or hold on for a month or year waiting for a market come-back.



As a test of formula planning under postwar market conditions, The Financial Post asked R. M. McKay, author of the accompanying article, to operate a hypothetical account as from Dec. 7, 1945 to date. The above chart is the record of the operations of this account. It shows the advantage of the formula plan over a buy-and-hold program.

Following were the provisions governing operation of the account as set forth by The Post:

(a) Total value of account was $50,000 as at Dec. 7, 1945. It was to be invested $30,000 in Dominion of Canada 3% bonds and $20,000 in five common stocks.

(b) The account was to be operated on the variable ratio plan.

(c) A 50-50 ratio had to be held at 180 on the Toronto Stock Exchange industrial average.

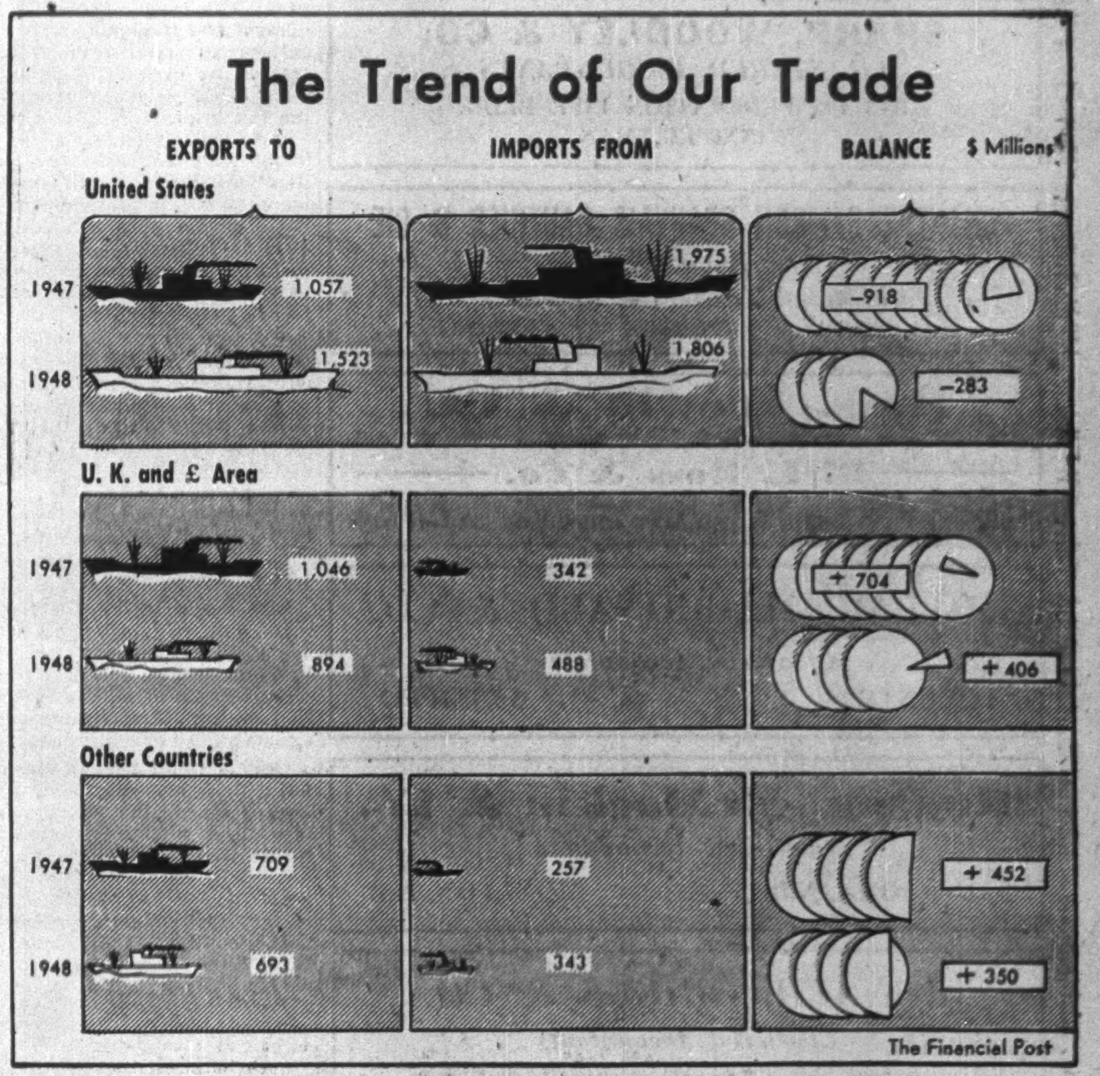
(d) Stocks were to be increased by 10% on each 10-point drop on the averages and decreased by 10% on each 10-point rise.

(e) Both plans were to start on Dec. 7, 1945, when the T.S.E. was at 170. (The average stood at about the same level at the end of the program.)

Results show only the mechanical efficiency of the plan. While intervals chosen for changing ratios were most favorable, the stocks chosen were not the most volatile issues, which work best. Nor did plan allow for favorable industry or individual stock selection. Improvements such as delaying action were not used. However, within these limitations the above is probably representative of what could be expected of such a plan. Difference in income between the two plans was just over $200 and commissions worked out at roughly $1,000.

Our Biggest Worry Takes New Slant

Two Baskets Holding 75% Of Our Trade



By KENNETH R. WILSON

OTTAWA (Staff) — Some striking as well as some disturbing facts come to life in the remarkable record of Canada's world trade in 1948.

First there is the tremendous volume of our trade.

Our combined exports and imports were $5¾ billion.

Even assuming tha. prices have doubled since before the war, that's still the largest volume of overseas business this country has ever transacted except in time of a shooting war.

Of the total, about $3 billion is exports and $2.5 billion is imports.

Next is the terrific dependence of Canada on United States and Britain for its foreign trade.

As shown in the tables which accompany this article, 50% of our exports and 70% of our imports are with the United States.

When you combine United Kingdom, you find that 80% of our imports and 70% of our exports are to these two countries.

Put another way, 75% of all our trade is in these two baskets.

The third important fact is that outside the United States, a very large proportion of our exports is now going to countries supported by U. S. or ECA funds.

Last year, close to $1 billion of our export trade went to ECA countries. If you add our U. S. exports to that figure, you see that over 80% of our overseas sales last year, went either to the U. S. direct or to countries which are being underwritten by U. S. funds.

Our Trade Stake Vulnerable

That doesn't mean necessarily that all our European trade would halt if ECA funds were withdrawn.

But it does indicate how vulnerable is Canada's trade stake at the present time.

In the tables something of the pattern of our trade with leading countries is shown.

Destination of Canada's Exports
(Millions of Dollars)

Exports	1948	1947
(a) **Twelve Chief Countries:**		
United States	1,501	1,034
United Kingdom	687	751
France	93	81
South Africa	83	67
Newfoundland	55	55
Netherlands	44	56
India-Pakistan	41	43
Australia	36	60
Italy	32	36
Belgium	33	53
Brazil	29	32
China	29	35
(b) **By Areas:**		
British Countries	1,032	1,169
U. S. & Possessions	1,510	1,041
Latin America	124	130
Europe	71	58
Other Countries	92	88
	3,076	2,775

Sources of Canadian Imports
(Millions of Dollars)

Imports	1948	1947
(a) **Twelve Chief Countries:**		
United States	1,806	1,975
United Kingdom	300	189
Venezuela	95	47
India-Pakistan	35	42
Mexico	27	17
Australia	27	14
Cuba	23	24
Br. Malaya	22	17
Brazil	21	14
San Domingo	17	8
Br. Guiana	15	12
Belgium	14	10
(b) **By Chief Areas:**		
British Countries	504	354
U. S. & Possessions	1,809	1,976
Latin America	221	159
Europe	71	58
Other Countries	31	26
	2,637	2,574

It will be noticed how relatively small is our total dollar trade, with individual countries outside United Kingdom and United States.

As well, five out of the 12 leading countries to whom we send exports, are ECA nations.

In this "top 12" there is only one country (Brazil) that is not in the sterling area or the ECA or U. S. orbit. That's excluding Newfoundland which stands out now as our fifth largest outlet, and will undoubtedly prove a substantially larger market after confederation — even though it will disappear from the trade returns.

One encouraging feature of this tabulation is that in 1948 we showed a considerable net deficit (excess of imports over exports) in our trade accounts with Latin America. Imports last year from these countries were $221 million against $124 million of exports. That means we still have some rope to trade with in that direction. It's a surprising change from the long list of countries with which Canada has very large trade balances at the present time.

Looking over our trade with United States reveals some striking and encouraging facts.

As shown in the following table, wood products are again far out in front. Once again, just over half our total trade with U. S. was in pulp and paper and timber products.

Next comes the newcomer — beef cattle which in itself was $62 millions following removal of the embargo. When you add in fresh beef and dairy cattle, we got almost $100 million for having lifted the embargo last summer.

Metals netted, in total, close to $200 million in exports to the U. S. Another highlight is the $51 million from farm implements — a sharp increase from the $23 million of last year in the same item. Apart from whisky, farm implements still have the distinction of being the chief item in "manufactured" exports. That's excluding newsprint, of course.

Here are the 25 leading Canadian exports to the United States last year:

Chief Items Canada Sold to U. S. A.
(Millions of Dollars)

	1948	1947
Newsprint	343	293
Wood pulp	185	156
Softwood lumber	113	68
Beef cattle	62	7
Nickel	56	39
Farm implements	51	23
Fresh fish†	45	38
Pulp wood	42	34
Asbestos	32	25
Zinc	26	15
Fresh beef & veal	26	..
Aluminum	24	6
Whisky, etc.	23	18
Shingles	21	20
Fertilizers	20	18
Oats	16	2
Furs	16	20
Barley	15	..
Seeds	15	4
Hardwood	15	12
Ferro-alloy	12	12
Abrasives	11	10
Pure bred cattle	11	7
Live poultry	11	3
Grains & fodder*	11	10

†Including fresh salmon, lobster, etc.
*Excluding oats, rye, wheat, barley.

Our Top Exports and Imports And How They Have Varied

VALUE OF LEADING DOMESTIC EXPORTS, EXCLUDING GOLD
(Twelve Months Ended December, $000)

Article	1948	1947
Newsprint paper	383,123	342,293
Wheat	243,023	265,200
Wood pulp	211,564	177,803
Planks and boards	196,023	208,375
Flour of wheat	125,151	196,578
Aluminum and products	102,046	63,956
Fish and fishery products	85,028	82,359
Ships and vessels	81,448	25,724
Copper and products	79,036	59,298
Grains, other than wheat	75,321	50,103
Cattle	73,899	7,698
Nickel	73,802	60,443
Farm machinery and implements	73,760	42,238
Bacon and hams	69,960	62,081
Meats, other than bacon and hams	63,399	40,776
Seeds	49,748	16,693
Pulpwood	43,573	34,529
Zinc and products	42,496	30,193
Asbestos and products	41,979	32,969
Machinery, except farm	40,539	41,022
Autos, passenger and freight	39,746	71,597
Eggs, shell and processed	39,163	36,968
Fertilizers	36,374	34,386
Lead and products	34,684	30,945
Paper, other than newsprint	33,559	30,840

VALUES OF LEADING IMPORTS FOR CONSUMPTION
(Twelve Months Ended December, $000)

Article	1948	1947
Machinery, except farm	217,091	206,012
Petroleum, crude	191,980	127,459
Coal	186,388	138,050
Farm implements and machinery	139,993	105,405
Petroleum products, n.o.p.	109,802	79,735
Automobile parts	101,261	98,432
Rolling mill products	83,929	77,970
Cotton products	78,518	119,413
Sugar and products	71,752	57,420
Wool products	67,322	54,393
Electrical apparatus, n.o.p.	62,127	68,773
Fruits	59,561	77,477
Cotton, raw and linters	56,829	60,481
Engines and boilers	50,285	43,882
Wool, raw and unmanufactured	47,744	30,070
Rubber and products	31,607	28,730
Books and printed matter	31,268	31,935
Nuts	31,027	22,050
Clay and products	30,773	24,059
Grains and products	30,565	36,453
Artificial silk and products	29,680	34,493
Autos, freight and passenger	27,303	69,540
Flax, hemp, jute and products	27,259	37,873
Glass and glassware	25,925	28,626
Furs and products	24,568	22,451

How Do You Like Your Oysters? B. C. Breeding Jap Type Again

From Our Own Correspondent

VANCOUVER—When it comes to the succulent oysters, the Land of the Rising Sun grows 'em bigger and better than anyone. Some have been known to be 12 inches across.

Next month the greatest batch of Japanese seed oyster since the war interrupted this trans-oceanic crustacean horticulture, is due to arrive in Vancouver for transplanting in B. C. and Washington oyster beds.

There are some 5,000 cases in the shipment, part of a 50,000-case consignment. That's a lot of oysters in anybody's stew. Last year, B.C. growers imported 3,000 cases and couldn't meet the demand. This year they hope to get back to prewar production.

The seed consists of several young oysters growing on a shell. In Japanese waters, they reproduce naturally but have to be artificially seeded in B. C waters. During shipment, they must be kept moist. Then they are planted where the water as nearly as possible duplicates their natural habitat.

After a year, the oyster farmers go over their beds at low tide, break up the seed or shells and spread them out. This prevents the oysters growing in clusters and becoming deformed. It's almost like thinning a row of carrots or beets. In about four years, the oysters are ready for market.

The Jap oyster is a big fellow if allowed to mature and is the only type that will reproduce in coast waters, except, of course, for the tiny, native "Olympia," now almost extinct. This crustacean grows to about the size of your thumbnail and is highly prized for cocktails.

But the Jap oyster isn't a surefire breeder. It seems if the water isn't just the right temperature, they just wither and die. Conditions haven't been right for several years. They don't multiply the way they do in Japanese waters.

There was some natural increase before the war, but not widespread enough to ensure a permanent and expanding industry. In some waters, oyster farmers had to import new seed every year.

The other bivalve alternative to the Jap is the Eastern oyster. It is even more temperamental than the Jap. So far no way has been found to make it reproduce in commercial quantities.

If you're an oyster fancier, you'll probably favor the Eastern over the Jap, known commercially as "Pacifics." But quite frequently an order of Easterns turns out to be Jap Pacifics in Occidental disguise.

Last year the State of Washington imported a trial shipment of an unexploited Japanese species, smaller and said to be of finer flavor than the established Jap variety. However, the B.C. Dept. of Fisheries has decided to wait and see how the Washington experiment pans out before doing any experimenting itself.

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Careers for Canadians—II

Need for Good Lawyers Grows

Trend is Toward Specialists in Larger Centres

By WILBERT H. HOWARD, C.B.E., K.C.

There's still an important place for "court" lawyers but more and more legal work is concerned with keeping clients out of litigation; to get settlements, not judgments.

This second article in The Post's new series designed to help young Canadians —and their parents — settle the vital question of their future shows the trials and rewards, the potentialities and requirements of the legal profession.

Any competent young man can expect to find, in this great and growing field, one or more lines in which his peculiar abilities will enable him to excel, says Mr. Howard. The main thing is to get off on the right foot.

The practice of law today affords scope for the exercise of many different talents and abilities. No longer is success reserved only for those who have the capacity to excel in litigation. Litigation has for many years been declining in importance from the point of view of the profession generally, so much so, indeed, that many successful lawyers never appear in court.

This change is due to the great expansion of the work which lawyers are employed to do. This results primarily from the development and tremendous growth of corporate enterprises and from the complications created by ever-changing laws and regulations affecting business operations, notably the tax laws. Moreover, a strong disinclination to become embroiled in litigation, combined with the realization of the complexities involved in all but the simplest transactions, prompts businessmen to seek legal advice before making commitments. Just as emphasis has come to be laid on preventive medicine, so prudent persons obtain legal advice as a preventive against future complications.

There must be no misunderstanding of the foregoing reference to litigation. It is only relatively less important, to the profession at large, than it used to be. Competent pleaders are still needed and will continue to be needed. Accidents, breaches of obligations, disputes and misunderstandings continually breed claims which can be disposed of only by lawsuits or by settlements negotiated under threat of legal action. In addition, practice in criminal matters is carried on only by "court" lawyers.

The service of able advocates are in demand not only by clients who wish to enforce their rights or are embroiled in a litigious matter but also by other lawyers who, because of their inexperience in litigation or for other reasons, require or desire expert advice or assistance.

Only a small part of the claims and disputes that come into being reach the courts. This is due to the fact that settlements are previously made. Sometimes, these settlements are made before action is commenced, but more frequently they are reached after an action has been taken. In the negotiation of these settlements, the lawyer who is expert in litigation is almost indispensable. He is best able to appraise the strength of his own and his opponent's cases and to conduct the arguments which characterize such negotiations.

New Field in Labor Relations

There is no indication that the need for lawyers will diminish. On the contrary, new demands for their services are developing. For example, the matter of labor relations has recently been engaging the attention of many lawyers who previously had nothing to do with labor disputes and agreements.

However, and despite the popular assumption that lawyers prosper in bad times, the trend of legal work is not steadily upward. Especially in offices doing corporation work, it is subject to the fluctuations of general business. Occasional bankruptcies and enforced reorganizations do not furnish the work and remuneration which are provided by the constructive corporation work of good times. Association with a legal firm which has a well-rounded general practice affords the best protection to the individual lawyer against the sweeping declines which are periodically suffered by general business.

Lawyers continue to be consulted, as they always have been, in regard, among other things, to wills, trusts and estate matters, real estate transactions, patents and copyrights, insurance matters of all kinds and problems arising out of marital and other personal relations.

Accordingly, any competent young man can expect to find, in this great and growing field, one or more lines in which his peculiar abilities will qualify him to excel. The trend is toward the development of specialists, as no lawyer can hope to be expert in more than a comparatively small part of the whole field.

Apart from the lawyers in general practice, there are now many others employed by business organizations and governmental departments and agencies. The demand from these quarters for lawyers and men who have had a legal training is increasing.

To the lawyer in general practice, the law continues to be a hard mistress. Her rewards go only to those who, irrespective of ability, are willing to work at any and all hours and seasons. The practicing lawyer has as many employers as he has clients, each of whom expects to receive priority of attention whenever he thinks he needs it. Usually, clients are in a hurry. Therefore, the prime qualifications for a lawyer are a willingness and ability to work hard and a capacity to get work done under great pressure.

Euclid, English, Empathy

Next, a lawyer's personality must be such as to create confidence. Most clients are either about to engage in a project in which they will place money or property in jeopardy, or are involved in a situation in which their money or property is already in jeopardy. They need to be convinced at the outset that they are in safe hands.

Lawyers naturally require logical minds. For that reason there are those who believe that students who are good in mathematics are likely to succeed in the practice of law. They also need to be able to express themselves clearly and correctly, both vocally and in writing, and should have intellectual curiosity to such extent that they find problems both challenging and interesting.

So far as training is concerned, no law student can now avoid long years of college work. In addition to this, however, a knowledge of the way in which business is carried on is helpful for the obvious reason that lawyers are constantly being confronted with problems pertaining to business. It is also important to have an understanding of that variable aggregation of qualities we can refer to as "human nature." Therefore, lawyers who have had nothing but school and college training are not as well qualified to begin practice as those who have acquired, outside of college walls, some knowledge and understanding of business and people.

The war created a scarcity of young lawyers; but this state of affairs no longer exists. Despite the great expansion of legal work and the demand for lawyers by business organizations and governmental departments and agencies, the profession is, if not already overcrowded, going to be so when the students now in their last years in law schools are admitted to practice. As a consequence, those who are now studying law, or thinking of doing so, will encounter keen competition upon their admission to practice and should make every effort to attain a high standing in their classes. Other things being equal, the man who has the higher academic standing will generally be assumed to be the better man.

Footing First, "Shingle" Later

Except, perhaps, in small communities and new settlements and in cases where family or friends can be relied upon to provide sufficient business to cover office and living expenses, it is difficult for a young lawyer to develop a practice by merely renting an office and hanging out a "shingle." Consequently, any young man who is planning to study law should take serious thought as to what he will find to do when he is admitted to practice. In any case, and even though his ambition is to establish his own practice, he will be well advised to become associated with an established firm for at least four or five years in order to gain necessary experience. If he proposes to specialize, postgraduate study may be helpful; but by and large, specialists are developed only through years of actual practice in their chosen field. Book-learning is most important but needs to be supplemented by practical work.

It is impossible to foretell how much money a lawyer will make initially and after years of practice. His earnings at the beginning will depend entirely upon the circumstances under which he commences work, and his subsequent earnings will depend on the opportunities he has had to distinguish himself and his achievements. The average earnings of the mature Canadian lawyer are not high in comparison with those, say, of bricklayers, engine drivers and other experts in the mechanical trades. On the other hand, the leaders of the profession earn very large incomes.

The profession of law differs from other professions in that it frequently serves as a stepping stone or entree to other things. The facility with which lawyers turn to politics and their success in that field are well known. Industrial and financial organizations occasionally select able lawyers for important positions, and many lawyers are afforded opportunities to participate in, or become associated with, business ventures and projects.

To sum up, the practice of law offers great opportunities to competent young men and will continue to do so. Today, the initial problem, and, perhaps, the greatest, is to get a start under proper auspices.

WILBERT HARVARD HOWARD, C.B.E., K.C., is one of the Dominion's outstanding corporation lawyers, partner in the prominent Montreal legal firm of Montgomery, McMichael, Common, Howard, Forsyth & Ker. Born and educated in Quebec, his career parallels the business and industrial development of that province. He is president of Montreal Trust, director of eight other corporations — pulp and paper, power, investment, industrial. During World War II he was co-ordinator of WPTB's 10 pulp and paper administrations (and made a C.B.E.); traveled across Canada as counsel before Royal Commission on taxation of co-operatives; had ticklish job of helping arrange settlement for Montreal L.H.P. shareholders with Quebec Government. Mr. Howard started out as a teacher on the Prairies, turned to law under influence of his uncle, the late Justice E. E. Howard. During World War I he served in France as lieutenant with the Canadian Field Artillery, was invalided to England during Somme offensive, continued service to 1919 as staff captain.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post uses a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

WESTERN PLYWOOD CO. net profit for the year ended Oct. 31, 1948, was off 14%. During most of the year demand for plywood exceeded supply; however, by July, 1948, Canadian plywood orders placed by the United Kingdom were filled. U. K., which previously took as much as 50% of the west coast production, stopped buying altogether for three months and later purchased at the rate of 25% of the previous volume only. This development coincided with the rapid elimination of many other overseas customers due to the dollar shortage.

For a lengthy period in 1947 the plywood duty was removed in the U. S. in order to increase the supply of building material. In spite of efforts of the Canadian, as well as the U. S. administration, duty-free importation was not resumed during the fiscal year, and the tariff of 40% on all but birch plywood reduced western Canadian plywood exports to the U. S. to a mere trickle.

Due to flexibility of company's operations, capacity production was maintained during the year. By the sale of company's share in International Plywoods, Ltd., a substantial amount of capital and time has been freed for other creative efforts, it is said.

Directors secured the promise of the B. C. Provincial Government to issue a Forest Management License covering an area in the Quesnel district. The timber to be covered by the license is sufficient to assure perpetual operation of a new subsidiary plywood plant expected to be completed in Quesnel during 1949-50 and possibly sooner.

During the year the company developed a design for a light-weight door which will be marketed within a few weeks at competitive prices with doors presently on the market. Rights to two new patented processes have been secured; one turns lathe-cores into attractive building members, the other is a process by which attractive door frame and window frame covers are made in a 5-ply hardwood veneer construction.

INCOME ACCOUNT

Years Ended Oct. 31,	1948	1947
Sales	$1,884,888	$1,545,184
Net earnings	484,914	522,924
Less, Int., etc.	12,870	17,073
Deprec.	147,165	136,826
Inc. taxes	122,000	133,000
Net profit	202,871	236,025
Less: Com. & def. div.	6,600	......
Pref. divds.	10,500	......
Class A divds.	20,000	......
Class B divds.	13,200	......
Surplus for year	152,571	......
Earnings† per Share:		
Class A	$2.54	$2.95
Paid	0.25	....
Class B*	1.23	1.49
Paid	0.10	....

†Based on present capitalization.
*After provision made for full year's divds. on class A stock.

CONDENSED BALANCE SHEET

As at:	Oct. 31 1948	Feb. 29 1948
Cash	$208,686	$19,628
Accts. rec.	264,552	327,580
Inventories	219,395	340,429
Total curr. assets	692,633	687,637
Prepaid exp.‡	6,842	3,511
Investments	......	†125,000
Misc. assets	31,916	26,287
Fixed assets*	728,137	572,377
Total assets	1,459,528	1,414,812
Bank loan	......	156,000
Other curr. liabs.	183,330	280,077
Total curr. liabs.	183,330	436,077
Deferred liabs.	......	11,490
Loan pay. (sec.)	......	270,000
Mortgage pay.	6,000	......
Funded debt	475,000	......
Capital stock	180,500	382,500
Surplus	▲614,698	314,745
*After depr. & depl. of	405,274	‡293,600

▲Reflects $285,000 profit on sale of shs. International Plywood Ltd.
‡Included in curr. assets in co's report.
†Represents 25,000 common and 1,000 pref. shs. in International Plywood Ltd.
‡Includes $1,044 unamort. expense of timber investigation.

Working capital	509,303	251,560

BRITISH COLUMBIA TELEPHONE CO. 1948 net profit was up 10.5%. Demand for telephone service, resulting primarily from the population increase and from continually expanding economic development of the Province, was the highest in the company's history. During the last three years, the company has added almost 46,000 telephones to the system—a net increase of 28%. Nevertheless there were at the end of 1948 over 22,000 applications for new or additional service on the waiting list. Net increase during the year was 14,701 bringing total number in service at Dec. 31, 1948, to 208,437.

Volume of both local and long distance calls reached new highs during the year. Local calls numbered 326,287,016 and completed long distance calls 4,577,602, gains of 7.5% and 10.5% respectively over the previous year. Gross revenue for all sources amounted to $12,158,886 ($10,987,513 in 1947). Operating expense continued an upward trend and amounted to $11,364,826 ($10,268,805). Increase in operating charge was mostly due to higher payroll costs. Revenue for the year fell $32,128 short of meeting full dividend requirements.

In March the company sold $2 million 3¾% bonds due March 1, 1971. The company also issued and sold in July $1.5 million ordinary stock and $3.5 million of 4¾% cumulative redeemable preferred stock. Proceeds from sales are being used for purchase and construction of additional telephone plant as equipment becomes available.

The company is faced in 1949 with necessity of seeking an increase in its telephone rates. Heavy demand for service calls for large additional capital expenditures to provide buildings, plant and equipment. While the company requires these additional capital funds on the one hand, net earnings on the other hand are declining because of higher operating costs, it is said.

A total of some 6,434 circuit miles were added to company's long-distance circuits during the year. Of this mileage 4,347 circuit miles were added to the Trans-Canada Telephone System. Last year's abnormal flood and year-end storms, which caused heavy and costly damage to outside plant, retarded to a considerable extent the plant construction program.

INCOME ACCOUNT

Years Ended Dec. 31:	1948	1947
Net earnings†	$3,532,088	$3,061,302
Less: Deprec.	1,646,443	1,474,765
Bond interest	770,479	692,509
Note interest	232,233	65,648
Amort. bd. disc.	86,683	84,373
Conting. res.	......	25,000
Net profit	794,070	718,708
Less: Pref. divds.	60,000	60,000
6% pfd. divds.	270,000	270,000
4¾% pfd. divds.	76,198	......
Ordinary divds.	420,000	360,000
Surplus for year	*32,128	28,708

*Deficit. †After total taxes.

Times Bond and Note Interest Earned:		
Before deprec.	3.52	4.04
After deprec.	1.88	2.09
Earnings per Share and Dividend Record:		
6% preferred	$79.41	$71.87
Paid	6.00	6.00
6% preferred	16.31	14.64
Paid	6.00	6.00
4¾% preferred	13.26	......
Paid	1.18¾+*0.99¼	......
Common	6.46	8.64
Paid	8.00	8.00

*Accrued from Oct. 15 to Dec. 31.

CONDENSED BALANCE SHEET

As at Dec. 31:	1948	1947
Cash & bonds	$7,639,447	$6,860,286
Accts. rec.	820,046	622,197
Inventories	1,898,270	1,670,941
Total curr. assets	10,358,365	9,153,424
Unamort. exp.	789,428	836,990
Sink. fund	150,000	......
Misc. assets▲	369,345	561,126
Fixed assets	49,392,762	43,450,676
Total assets	61,059,900	54,002,210
Accts. & tax pay.	1,498,793	1,546,341
Other curr. liab.	669,167	536,242
Total curr. liab.	2,167,960	2,082,583
Notes pay.	5,000,000	6,300,000
Funded debt	21,500,000	19,500,000
Reserves	16,216,770	15,287,329
Capital stock	15,000,000	10,000,000
Prem. on cap. stk.	375,000	......
Surplus▲	800,170	832,298
*Incl. depr. res.	14,829,592	13,900,151
▲Incl. ref. EPT	148,160	285,723
Working capital	8,190,405	7,070,841

BREWERS & DISTILLERS OF VANCOUVER, LTD., have advised Toronto Stock Exchange the annual report, due for distribution shortly, will show net profit for 1948 of $717,451, equal to $1.24 a common share. This compares with $740,764, equal to $1.28 a common share for 1947.

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YOU ASKED US

The Financial Post will provide subscribers as quickly as possible with the answers to specific questions about business, taxation, investments, and other subjects. The Post cannot undertake to make predictions, will not express opinion on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave., Toronto 2. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. If more than one enquiry is being sent, subscribers are asked to submit each on a separate sheet of paper, to facilitate research work entailed.

INCOME TAX

U. S. Withholding Tax

My wife has an income of about $1,000, all investment income. Some $800 comes from dividends from U. S. stocks, from which $120 was deducted at the source. Her net U. S. income accordingly is $680. Her Canadian income tax amounts to approximately $29. I understand I can set off the U. S. tax collected at the source against this Canadian tax but is there any way I can get a refund of the remaining $91?

There does not appear to be any way you can get a refund. The U. S. tax has been collected by a foreign government and while the Canadian government would allow a credit against the Canadian tax of taxes paid to the United States government within stated limits, the Canadian tax in this case is not nearly large enough to offset the total U. S. deductions.

Depreciation on House

On what basis is depreciation on a house rented to another person calculated?

It is calculated on the actual original cost of the house, plus cost of capital expenditures, which may be considered part of the actual capital cost.

INVESTMENTS

Old Comrades Brewery

Will you please give me some information on Old Comrades Brewery Ltd.

Old Comrades Brewery Ltd. was incorporated May 15, 1946, under Dominion Companies Act, to open a modern brewery on former Tecumseh Brewery Ltd. premises.

Company, in prospectus dated Oct. 15, 1946, offered 519,995 shares at $1 a share of which 146,699 shares were issued and paid for. In prospectus, dated July 31, 1947, company offered 200,000 shares at $1 a share of which 33,271 shares were issued and paid for. Again in prospectus dated Nov. 24, 1947, company offered, through W. D. Latimer & Co., 150,000 shares at $1.25 a share, price to be paid company by W. D. Latimer being $1.06¼ a share. All these of the said 150,000 shares were issued and paid for.

Currently in prospectus dated Dec. 16, 1948, company is offering through W. D. Latimer at $2 a share 125,000 no par value common shares. Price to be paid to company is $1.70 a share.

Proceeds are said $70,000 for equipment installation to increase capacity; $100,000 to replenish working capital used to complete plant and acquire equipment; $42,500 for accounts payable in connection with plant rehabilitation and equipment installation.

Sale of its products commenced Aug. 20, 1948. From Aug. 20, 1948, to Sept. 30, 1948, the company had $3,714 net loss.

Balance sheet at Sept. 30, 1948, shows fixed assets at cost of $680,037, kegs at cost of $40,720, current assets at $216,188. Current liabilities totaled $221,257, while company had $148,000 first mortgage payable in 75 $2,000 monthly instalments, starting Oct. 1, 1948, plus interest at 5% a year.

Capitalization was 750,000 authorized, 674,670 issued, no par value shares.

Company's products are sold under name of Schneider's Beer and Ale. Brewmaster is Joseph Schneider who served his apprenticeship with Lyon's in Munich. He has been in Canada since 1910, and formerly was brewmaster for Canada Bud.

Directors: J. Earl McQueen, president and managing director; J. H. Mothersill, vice-president; L. A. Deziel, secretary-treasurer; A. S. Pearson and S. L. Springsteen, K.C.

Imperial Oil

To what is the recent heaviness in the market action of Imperial Oil shares attributed?

The recent heaviness in market action of Imperial Oil shares is attributed in investment circles to following factors:

(a) Concern felt over marketing possibilities of crude oil once main Prairie market has been met. (This point will be reached this summer).

(b) General market conditions which are affected by increasing indications of some business recession.

(c) Rather remote possibilities of increase in dividend with the still sizeable expansion program Imperial Oil is committed to.

It is obvious now that if Alberta crude oil is to move to other than Prairie markets, costly pipelines must be built. Although it's highly likely any important pipeline to either West Coast or Winnipeg will become common carrier with other companies, and possibly Federal Government participating in the financing, Imperial Oil will still have to share large proportion of total expense involved.

Although declining interest in American oil companies stocks may have something to do with depressed market value of Imperial, we do not think it too important a factor. U. S. per capita consumption of petroleum products is much higher than Canada's — about 16 bbl. against 8.15. In 1935 U. S. per capita consumption was only 7.5 bbl. Indications now are that Canada's consumption is currently experiencing growth rate comparable to that in U. S. in intervening period.

Candego

Can you give me information on operations and financial set-up of Candego Mines Ltd?

Candego Mines is currently working on plans to increase its authorized capital from present 3.5 million $1 par value shares to provide funds for further development. Special meeting notice will be issued soon. Apparently your shares of Candego are not registered in your name or you would have received company progress reports.

Early in January company shipped 491.04 tons of lead and zinc concentrate to Derby & Co. Ltd., London, England. Shipment contained, according to buyer's check assays, 361,294 lb. metallic lead, 161,118 lb. metallic zinc and 25,600 oz. silver.

Work in Gaspe Peninsula, Que., has been concentrated on driving in on ore zone from added tunnel At last report tunnel had advanced far enough to permit raises to be put up and carry out selective mining. However, new plans to raise more capital would suggest operations had not been put on self sustaining basis to finance developments.

Last available financial statement, for year ended Dec. 31, 1947, showed current assets of $20,820 against current liabilities of $53,355. Entire 3.5 million authorized shares are outstanding.

FOREIGN TRADE ENQUIRIES

Herewith are definite proposals and enquiries for Canadian goods from business firms in foreign countries.

The queries here listed come from foreign readers of The Financial Post, other Maclean-Hunter publications and particularly from Canadian Trade Abroad and Industrial Progress, the industrial edition of Canadian Trade Abroad.

Write The Foreign Trade Bureau, The Financial Post, 481 University Ave., Toronto 2, for information about any bulletin below and please give the code number preceding the item. Publication does not imply endorsement of credit by Canadian Trade Abroad.

British West Indies—Firm of importers, exporters and manufacturers' representatives would like to obtain agencies for drugs, patent medicines, watches and jewelry. References given. CT-56.

Chile — Catalogues, price lists, drawings and working instructions requested for machines to make small metal stampings such as metallic pant buckles and fasteners, dome fasteners, hair curlers, bobby pins, metal buttons and buckles, etc. Would also like to know what raw materials are required, price and possible sources of supply. Banking references given. IP-30.

Ecuador — Literature, catalogues and price lists requested for presses for making concrete blocks. IP-31.

Ecuador—Firm of importers, exporters and commission agents would like catalogues, samples and price lists for drugs, pharmaceutical products, cosmetics, paints, plastics, textiles and ready-to-wear clothing, costume jewelry, etc. CT-57.

Netherlands—Importers and distributors of tool machinery, exhibitors at Dutch industrial fair, would like to contact Canadian manufacturers of tool machinery. References given. IP-32.

India—List of books requested on industry, finance, agriculture and milling. CT-58.

Israel — Firm of commission agents and manufacturers' representatives interested in establishing business connections with exporters of tinned Kosher beef, tinned food products, condensed milk, milk powder, cheese, wheat, cereals. Quotations requested cif Haifa. CT-59.

Italy — Bleached straw pulp manufacturing concern would like to contact manufacturers of graphite electrodes. M-49.

Mexico — Manufacturers' representative seeks connections with manufacturers of quality automobile parts and accessories, tools, hardware and industrial machines. Efficient sales service. References given. M-50.

New Zealand—Wholesale distributors of automotive replacement parts and electrical accessories anxious to contact Canadian manufacturers. M-51.

Sweden — Representative of Swedish import-export firm, at present in Mexico, would like to contact Canadian import-export houses with no previous connections in Sweden. M-52.

Venezuela—Suppliers of medical and hospital equipment would like to contact manufacturers of hospital beds and cribs, mattresses of all kinds, medical rubber instruments and goods (surgeon's gloves, etc.), hospital furniture, medical supplies, invalid wheel chairs, etc. Active sales organization throughout Venezuela. References given. M-53.

Venezuela — Importers and commission agents with active sales staff interested in obtaining agencies for all classes of merchandise. References furnished on request. CT-60.

ARCHITECTS

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Proxy Battle Over Directors For Twin City Rapid Transit

Proxy battle is under way over forthcoming election of three board directors for Twin City Rapid Transit Co. at the annual meeting in Minneapolis, March 14. Three directors are to be elected for three years to fill vacancies of three of the present 9-man board whose terms expire, namely: President D. J. Strouse, C. T. Jaffray and Vice-President E. W. Decker, all of Minneapolis.

A substantial interest in the company is held in Canada.

In a letter to preferred and common shareholders, Charles Green, president of Green Sales Co., New York, last week solicited proxies to replace retiring directors with his own nominees—Wm. J. Cody, Detroit, Dr. Ellis Myers, Baltimore, and Mr. Green himself.

The management, which is also soliciting proxies, proposes reelection of the present three directors involved.

In his letter asking for proxies, Mr. Green charges the "record of the present management shows utter and complete failure" to achieve earnings sufficient to increase share values and pay regular dividends.

His letter adds: "While the present preferred stocks have received dividends and there is no arrearage thereon at present, earnings of the company have dropped to such a low figure that even this class of equity security appears to be in imminent jeopardy."

Mr. Green's letter states the company places too much blame for lack of dividends on increased labor costs, and that meanwhile stockholders are being saddled with additional indebtedness to purchase new equipment. It outlines a program which includes an inquiry into possible economies; immediate liquidation of bonded and short-term indebtedness; maintenance of existing equipment to permit decreased new purchases; incentive system to reduce accidents; increased purchases of company's collateral trust bonds on open market; closer relations between board and management; possible sale of company's assets to Minneapolis and St. Paul; purchasing policy requiring competitive bidding.

In a letter to broker-stockholders, President D. J. Strouse includes following points regarding company's record for the 13 years under present management:

(1) Bonded indebtedness down from $21.2 millions at Dec. 31, 1936, to $6 millions at Dec. 31, 1948; interest charges from $1.1 millions to $245,235.

(2) Substantial saving in taxes through 1939 change from New Jersey to Minnesota incorporation.

(3) Funding of arrears on formerly outstanding preferred stock in 1945, making common dividends legally possible.

(4) Purchase of 91 new cars and 165 new buses in past three years; $13.2 millions spent in additions and replacements in 13 years financed entirely through depreciation charges and earnings, with exception of $260,000 serial notes and $693,756 equipment trust obligations now outstanding.

(5) Increased wages and other costs have necessitated rate increases; company has applied for fare to yield adequate returns, which would enable resumption of common dividends.

Maintenance and modernization of company's properties and acquisition of modern streetcars and additional buses were essential to maintain reasonable service to the public, President Strouse added. Withholding of common dividends has been necessary to maintain a reasonably adequate financial structure, he said.

As of Dec. 31, 1948, company reported 229,315 common shares and 85,497 5% preferred shares were outstanding and entitled to vote at the meeting, share and share alike.

Three nominees proposed by Mr. Green together own or represent 16,800 common shares and 330 preferred, according to his letter soliciting proxies.

Continuing directors are: J. A. Cathcart, Chicago; F. Coulter Deacon, Toronto; George A. Dobbie, Galt; A. F. Pillsbury and W. G. Seeger of Minneapolis; W. O. Washburn of St. Paul, Minn.

Rock Wool Insulation Firm Starts in B. C.

A new industry, Western Insulation Co., started in Vancouver in January. It plans to manufacture rock wool insulation in a number of forms including granulated insulation and batts and blankets of rolled wool.

The plant, covers 30,000 sq. ft. Much of the equipment, including the furnaces, was designed and fabricated in Vancouver. The basic material, slag rock, is obtained from Greenwood, B. C., and the coke for the oven from Michell, B. C.

When in full operation, capacity of the plant will be about 30 tons a day. Thirty employees will be directly engaged in factory operations.

ST. LAWRENCE CORP: as of Dec. 31, 1948, 23,846 second preferred shares were redeemed, reducing number outstanding to 240,755.

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How U.S. Gold Imports Boost Credit

Federal Reserve Bank Discusses Effect of Added Supply

Every addition to gold reserves in the United States last year became the base for a potential four to five-fold increase in credit to the public. The Federal Reserve Bank here reviews the process by which U. S. gold imports result in added bank reserves, and what steps can and have been taken to offset such a growth in the credit base.

Some of the gold imported into the United States is purchased by the Treasury immediately; most, however, is placed under earmark. When imported gold is earmarked, it is physically set aside in the vaults of the Federal Reserve Bank of New York (which acts as the agent for the whole Federal Reserve System in international banking transactions) and does not enter into the gold stock of the United States. It becomes available for purchase by the Treasury only when the foreign country involved decides to release the gold from earmark in order to acquire dollars.

The general account balances of the Treasury with the Reserve Banks tend to decline as the Treasury makes payments for the gold so purchased. At the same time, there is a rise in the dollar balances owned by the sellers of gold at the Federal Reserve Bank of New York. Normally, there is at least a short interval between the time when the dollar accounts of foreign authorities are credited with the proceeds of their gold sales and the date when the proceeds are used for the payment of American goods and services. Ultimately, however, the foreign balances at the Federal Reserve Bank are drawn down and member bank deposits and reserves are correspondingly increased. These increased reserves provide the base for potential credit expansion.

Cash Holdings Increase

The purchase of gold by the Treasury involves two additional steps not mentioned above.

First, when the Treasury purchases gold, Treasury cash holdings increase by the amount of the purchase, while total Treasury funds (including bank balances) remain unchanged. Gold simply replaces balances with the Reserve Banks on the books of the Treasury.

The second step is the Treasury's issuance of gold certificates to the Federal Reserve System. Upon their issuance, Treasury cash is reduced by an amount equal to the gold certificates issued (since the gold is no longer considered as cash but as a 100% backing for the gold certificates) and balances with the System are restored. This process of transferring gold into and out of the General Fund of the Treasury has no effect on member bank reserve balances. Member bank reserves are affected only at the time when the proceeds of the gold sales are paid out by foreign monetary authorities.

When the Treasury has completed the operation by replenishing its balances with the Reserve Banks through issuance to them of gold certificates in the amount of the gold purchased, there is of course no net drain on Treasury deposits with the Federal Reserve System. In the meantime, member bank deposits and reserves have been increased by the amount of the Government gold purchases (as foreign holders spend the proceeds of gold sales in the market), and thus a potential basis for increasing bank credit has been provided.

Effects of Gold Increase

The effects of an increase in the monetary gold stock on bank reserves are no different today, when the Treasury alone may buy gold, than under the system that existed prior to 1933, when the commercial banks were the major buyers and sellers of gold.

Under the former procedure, a commercial bank paid for gold purchases by crediting the accounts of foreign sellers, with a resultant increase in the money supply. While the bank's required reserves also rose, this deficiency was normally made good through the sale of the gold to the Reserve System. Most of the proceeds of the sale, however, became available as excess reserves for a multiple expansion of bank credit and the money supply.

There are, however, alternative possibilities open to the Treasury for avoiding the inflationary effects of gold purchases under the present gold bullion standard. One of these methods, which was resorted to under quite different circumstances in 1936-38, is the sterilization of gold: if the Treasury's net receipts are sufficient to cover the cost of the gold purchased, it can refrain from issuing gold certificates. The Treasury can instead transfer funds to the Federal Reserve Banks from its commercial bank accounts in order to rebuild its balance with the Reserve Banks.

The effect on bank reserves of the gold purchase by the Government is completely neutralized by the sterilization operation. As already noted, after the Treasury pays for the gold it has purchased, the sellers in all probability transfer the proceeds to commercial banks (from their accounts in the Federal Reserve Bank of New York). If the Treasury now withdraws from the commercial banks an amount sufficient to replenish its Federal Reserve balances, the commercial banks are left with no greater reserves than they had prior to the gold purchase by the Government. This method of offsetting gold inflows is particularly effective if the Treasury receipts used to pay for the gold are obtained from the public (from sources such as individual income taxes and sales of Series E Savings bonds); then deposit growth is arrested at the same time.

Sterilizing gold with funds obtained from the public, therefore, involves: (1) no change in Treasury balances at the Federal Reserve Banks; (2) no change in member bank reserves; (3) no increase in gold certificates facilitating monetary expansion; and (4) no increase in the publicly-held money supply.

Retiring Gov't Securities

Actually, in recent years the Treasury and the System have adopted another procedure which, though its aims are much broader, also achieves the sterilization of gold.

This procedure consists of the retirement of Government securities held by the Federal Reserve System. To the extent that Treasury net cash receipts are available for this purpose, maturing Government securities are redeemed out of Treasury balances transferred from deposits with commercial banks; these deposits are obtained from tax collections and security sales mainly to non-bank investors. Thus, the reserves that are created by the Treasury's gold purchases are absorbed and cannot serve as a basis for credit expansion.

In 1948, one factor alone—the retirement of Government securities held by the Federal Reserve Banks — reduced bank reserves by three and a half times the increase in the United States monetary gold stock during the year. Thus debt and monetary policy is not only sterilizing the Treasury's gold purchases but is also offsetting in substantial part the various other factors which have tended to expand bank reserves, such as Federal Reserve support purchases of Government bonds and the decline in currency in circulation.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

JOURNAL PUBLISHING CO. of OTTAWA 1948 net profit was up 42.3%. A net loss of $13,885 was experienced during the year on sales of investment securities. Working capital position stood at $583,817 at year end as compared with $518,020 at end of previous fiscal year.

INCOME ACCOUNT

Years Ended Dec. 31:	1948	1947
Net earnings	$254,917	$193,083
Less: Inc. & EPT	87,502	75,417
Net profit	167,415	117,666
Less: Dividends	77,000	68,000
Surplus for year	90,415	49,666
Earnings per Share and Dividend Record:		
Common	$1.67	$1.18
Paid	0.77	0.68

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1948	1947
Cash	$38,925	$31,615
Accts. rec.	151,548	130,,817
Invest.*	576,553	459,991
Inventories	14,349	10,937
Total curr. assets	781,375	633,360
Misc. assets▲	190,446	195,396
Fixed assets†	357,670	340,218
Total assets	1,329,491	1,168,974
Total curr. liab.	197,558	115,340
Invest. cont. res.	108,394	122,279
Capital stock	300,000	300,000
Surplus▲	723,539	631,355
†After depr. of	392,744	388,995
*Market value	600,000	463,000
▲Incl. ref. EPT	22,833	22,833
Working capital	583,817	518,020

CORRUGATED PAPER BOX CO. 1948 net profit was up 19.5%. Improvement was obtained through considerably increased sales volume, operating efficiencies and lower income tax. These offset increased raw material and labor costs. Percentage of gross profit in sales dollar showed considerable decline, the annual report states.

New equipment purchased and delivered during year has proved its worth in bringing more sales and operating efficiencies. New raw material warehouse of 10,500 sq. ft. now in use makes for more economical handling of raw material and will allow carrying more diversified range of sizes, which will cut down offcut waste and make operation more profitable.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1948	1947
Net earnings	$499,251	$491,843
Prof. on assets sold	6,858	602
Less: Depreciation	69,337	63,351
Bond interest	5,977	7,258
Income tax	154,070	190,000
Net profit	276,725	231,836
Less: Pref. divds.	22,500	22,500
Com. divds.	47,000	47,000
Surplus for year	207,225	162,136
Earnings per Share and Dividend Record:		
5% preferred	$61.49	$51.47
Paid	5.00	5.00
Common	5.41	4.45
Paid	1.00	1.00

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1948	1947
Cash & mkt. secs.	$467,376	$472,515
Accts., etc., rec.	495,905	388,019
Inventories	502,515	438,578
Total curr. assets	1,465,796	1,300,112
Prep. exp.‡	19,868	13,877
Mtge. rec.	......	67,000
Ref. EPT	43,160	57,237
Fixed assets*	691,487	699,188
Total assets	2,220,311	2,037,415
Total curr. liab.	380,345	327,916
Funded debt	153,000	220,000
Capital stock	660,218	660,218
Surplus▲	1,026,748	829,281
*After depr. of	737,133	700,172
▲Incl. ref. EPT	43,160	57,237
‡Incl. in curr. assets in co's report.		
Working capital	1,085,451	972,196

DONNACONA PAPER CO. 1948 net profit was up 26.2%. During year all production units operated at full capacity and records were established in all departments. Product demand exceeded supply and further efforts are being made to increase efficiency and expand production, President Louis W. Michael states.

Capital expenditures were $603,925, principal item being completion of modern steam plant. Other expenditures covered equipment for production expansion, improvement in product quality.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1948	1947
Net earnings	$3,466,427	$3,168,542
Less: Depr. & depl.	766,083	660,925
Bond interest	224,088	217,505
Income tax res.	904,347	1,044,936
Net profit	1,571,909	1,245,174
Less: Pref. divds.	112,500	112,500
Com. divds.	376,572	659,001
Surplus for year	1,082,837	473,673
Times Bond Int. Earned:		
Before depr. & depl.	15.47	14.57
After depr. & depl.	12.05	11.53
Earnings per Share and Dividend Record:		
Preferred	$62.88	$49.81
Paid	4.50	4.50
Common	3.88	3.01
Paid or payable	1.00	1.00+0.75

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1948	1947
Cash & Dom. bonds	$45,139	$31,443
Accts. rec.	1,348,423	1,348,191
Inventories	6,122,738	5,076,938
Total curr. assets	7,516,300	6,456,572
Misc.	118,983	126,715
Fixed assets†	10,254,509	10,461,803
Total assets	17,889,792	17,045,090
Bank loan	1,230,000	1,300,000
Accts., tax., etc., pay.	1,613,942	1,509,820
Total curr. liab.	2,843,942	2,809,820
1st mtge. bonds	6,305,000	6,500,000
Conting. res.	1,008,926	1,010,928
Capital stock	4,607,860	4,607,860
Surplus*	3,124,064	2,116,482
†After depr. of	7,803,871	7,104,734
*Incl. ref. EPT	22,547	22,547
Working capital	4,672,358	3,646,752

MODERN CONTAINERS LTD. 1948 net profit was off 6.3%. During year $25,775 was spent in plant expansion. Working capital position stood at $648,844 ($532,829).

INCOME ACCOUNT

Years Ended Dec. 31:	1948	1947
Net earnings	$316,772	$404,800
Less: Deprec.	34,026	39,776
Income taxes	105,726	176,158
Net profit	177,020	188,866
Less: Cl. A divds.	50,000	50,000
Common divds.	25,000	......
Surplus for year	102,020	138,866
Earnings per Share and Dividend Record:		
Class A	$3.54	$3.78
Paid	1.00	1.00
Common	2.54	2.78
Paid	0.50	....

CONDENSED BALANCE SHEET

As at Dec. 31:	1948	1947
Cash	$81,314	$74,259
Invest., book val.†	380,156	382,406
Accts. rec.	91,834	88,968
Inventories	231,396	117,013
Total curr. assets	784,700	662,646
Ref. EPT‡	123,973	141,625
Misc. assets	11,992	13,558
Fixed assets*	246,911	256,843
Total assets	1,167,576	1,074,672
Accts., etc., pay.	78,330	57,434
Taxes pay.	57,526	72,383
Total curr. liab.	135,856	129,817
Funded debt	120,000	135,000
Capital stock	72,749	72,749
Surplus▲	838,971	737,106
▲Incl. ref. EPT	123,973	141,625
*After depr. of	638,383	607,247
†Market value	377,344	376,800
‡Incl. in curr. assets in co's report.		
Working capital	648,844	532,829

Boost in Sugar Beet Acreage To Open Plants

Increase in early contracting for 1949 sugar beet acreage in southwestern Ontario forsees probable operation of both Canada & Dominion Sugar Co.'s factories at Chatham and Wallaceburg for first time since 1941. Sugar company representatives are now visiting growers offering same price scale for their beets as in 1948.

Cash returns for sugar beets in 1948 averaged $155.88 an acre, highest average return in the 46-year history of the company, and $28.24 higher than in 1947. Company has spent more than $1 million during recent years on new and improved machinery, with further efficiency-increasing installations planned for 1949 and 1950.

Last week the Wallaceburg plant began a raw sugar run to produce about 60 million lbs. of refined sugar for Ontario consumption. Operation will continue into spring, employing 350 men.

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PHILIP B. TOLLER President
FREDERICK E. LAVIS Manager of Sales
D. M. COOLICAN Vice-President and Secretary

MELCHERS DISTILLERIES, LIMITED

BALANCE SHEET AS AT 31st DECEMBER, 1948

Including Details of the Earned Surplus Account for the Year Ended 31st December, 1948

ASSETS

CURRENT:			
Cash on hand and in banks		$ 29,927.58	
Accounts Receivable	$ 125,813.60		
Less: Reserve for Doubtful Accounts	2,000.00	123,813.60	
Inventories of Matured and Unmatured Spirits, Raw Materials, Manufacturing and Other Supplies, valued at not more than cost		1,585,462.38	$1,739,203.56
CASH SURRENDER VALUE OF LIFE INSURANCE POLICY			2,123.87
DEFERRED CHARGES:			
Unexpired Insurance and Taxes and Other Prepaid Items			16,000.41
REFUNDABLE PORTION OF EXCESS PROFITS TAXES FOR 1943, 1944 AND 1945			337,056.22
FIXED:			
Land, Buildings, Machinery and Equipment, at depreciated replacement values as appraised by the Canadian Appraisal Company, Limited in December 1936, with subsequent additions at cost		1,797,406.21	
Less: Reserve for Depreciation		812,657.44	984,748.77
TRADE MARKS, FORMULAE, PATENTS AND GOODWILL			1.00
			$3,079,133.83

Approved on behalf of the Board:
V. MARCHAND } Directors.
HENRY N. CHAUVIN }

LIABILITIES

CURRENT:				
Bank Loan			$ 275,000.00	
Accounts Payable and Accrued Liabilities			178,499.33	
Deposit re Production Contract			78,984.24	
Taxes Payable			102,733.87	$ 635,217.44
RESERVE FOR CONTINGENCIES				40,000.00
CAPITAL STOCK:				
Authorized and Issued—				
125,000 Shares 6% Cumulative Participating Preferred, par value $10.00 each			1,250,000.00	
62,500 Shares Common, No Par Value			250,000.00	1,500,000.00
DEFERRED SURPLUS—REFUNDABLE PORTION OF EXCESS PROFITS TAXES FOR 1943, 1944 AND 1945				337,056.22
EARNED SURPLUS ACCOUNT:				
Balance at Credit, 1st January, 1948			525,002.69	
Add:				
Profit on disposal of Fixed Assets			967.60	
			525,970.29	
Add:				
Net Operating Profits for the year ended 31st Dec., 1948 before taking up the items below		$ 317,407.93		
Deduct:				
Provision for depreciation	$ 108,118.05			
Provision for Income Taxes	93,400.00	201,518.05		
Net Profit for the year 1948		115,889.88		
Less:				
Dividends paid for the year ended 31st December, 1948 on the Preferred shares: 60 cents per share		75,000.00	40,889.88	
Balance at Credit, 31st December, 1948				566,860.17
				$3,079,133.83

NOTE—Subject to the provisions of the Supplementary Letters Patent of the Company:
(a) $239,937.46 of the above Earned Surplus may be applied in payment (but only if, as and when declared by the Board of Directors) of the 3% non-cumulative preferential dividends on the Preferred Stock.
(b) $249,873.76 of the above Earned Surplus may be distributed, in the discretion of the Board of Directors, as participating dividends to the holders of the preferred and common shares on a share basis.

AUDITORS' REPORT TO THE SHAREHOLDERS

MELCHERS DISTILLERIES, LIMITED, Montreal.

We have examined the books of account and financial records of Melchers Distilleries, Limited for the year ended 31st December, 1948 and have received all the information and explanations required by us.

The Inventories of Spirits, Raw Materials and Supplies on hand have been certified to be correct by responsible officials of the Company.

The Dominion Income Tax Department has intimated to the Company that in computing the amount of profits to be assessed for the year 1943 and for subsequent years, it proposes to disallow as deductions from taxable income a substantial portion of the amounts provided for depreciation in those years. The liability for taxes as shown on the above Balance Sheet does not include any provision for possible taxes that may be payable in this connection.

Subject to the foregoing we certify that, in our opinion, the above Balance Sheet as at 31st December, 1948 sets forth a true and correct view of the financial position of the Company at that date, according to the best of our information and the explanations given to us, and as shown by the books of the Company.

Montreal, 31st January, 1949.

P. S. ROSS & SONS, Chartered Accountants.

DIRECTORS' REPORT

To the Shareholders:—

Your Directors submit the Twentieth Annual Report of your Company covering its operations during the fiscal year ended December 31st, 1948, this being the fiftieth year of operation, since its inception in 1898.

The Financial Statements show satisfactory results.

The Net Profit for the year, after making provision for Depreciation and Income Taxes, was $115,889.88; of this amount, $75,000.00 was paid in dividends and the balance of $40,889.88 was transferred to Earned Surplus Account.

The Balance Sheet reflects an improved financial condition. Working capital has been increased by $103,324.25, and now stands at $1,103,986.12.

Concerning your plant, there is nothing of extraordinary interest to report on for the year just closed. The new machinery and equipment installed during recent years, is functioning very satisfactorily, and the balance of our automatic bottling equipment is expected to be received shortly.

Manufacturing costs were up materially, due to increased wages, salaries and extremely high grain prices. During the latter part of the year, however, grain prices eased considerably, so your directors look forward to a more normal cost in the coming year.

Sales of Gins are returning to a more normal basis. An increasing demand for whiskies is evident, especially for those of older ages. Near the close of the year, your Company released two new brands of aged Rye Whisky. These two brands are real Rye whiskies, having been made from mashes consisting predominantly of Rye grain. The ages of these two brands are 6 and 8 years. The reception given to them by the public, far exceeds our most optimistic estimates. The demand is so great and so much in excess of available supplies, that your Company is obliged to limit releases in order to protect their quality and age.

Fire insurance has been maintained at a high level due to high replacement cost of spirits, buildings and equipment.

Labour relations between the Company and its employees are amicable and a new working agreement with their Union was signed effective November 1st, 1948.

At the Annual General Meeting of Shareholders to be held on March 9th, 1949, shareholders will be asked to consider approval of a new By-Law of the Company, creating the position of "Chairman of the Board"; governing the signatures to appear on certificates of Stock and amending the various By-Laws incidental thereto.

Your Directors wish to take this opportunity of expressing their appreciation of the faithful work of the officials and employees of the Company during the year just closed.

Respectfully submitted,
On behalf of the Board of Directors,
V. MARCHAND
President.

Montreal, P.Q.
February 23rd, 1949.

BOOKS FOR BUSINESSMEN

JOE LAVALLY AND THE PALEFACE in Algonquin Park, by Bernard Wicksteed. Published by Wm. Collins Sons & Co., Toronto. 191 pages. Price $2.75.

Wicksteed says of his book that it is basically a job of reporting an eight-day canoe trip in the Northern Ontario bush he made with an Indian in 1945—"an Indian who took civilization in his stride and wasn't spoiled by it."

When the author set out on the trip, he took a notebook to get down local color in case he ever wanted to write a story with a Canadian background. He soon found he was alone in the woods with "a wit, an illiterate savant who spoke hardly a word that wasn't worth recording."

These notes were turned into the manuscript for a book. When they were finished, Wicksteed learned that Joe Lavally was dead. So he made some revisions and what began as a report of a canoe trip became also the obituary of a Canadian Indian.

AUDIT WORKING PAPERS, by C. Oliver Wellington. Published by D. Van Nostrand Co., Toronto. 215 pages. Price, $15.50.

C. Oliver Wellington is a man well qualified for a book of this kind. Renowned U. S. accountant, he is senior partner of Scovel, Wellington & Co. and past president of the American Institute of Accountants. He's probably best known to students of accounting for his revealing testimony in the famous U. S. audit squabble—the McKesson & Robbins case. His work there did much to guide the reformation of accounting rules and practices.

The author's working papers are complete, well indexed, and leave no questions unanswered. They reflect a continuous audit on the books of a fictitious leather company; are the result of the efforts of a supervisor, senior and junior accountant of an imaginary auditing firm.

Already used to train the staff of the accounting firm for which it was first compiled, "Audit Working Papers" should be a boon to accountants everywhere. It is not intended for the beginner, but should prove a source of valuable suggestions to the practicing accountant, a tool for the skillful teacher, and realistic factual material for the thoughtful student.

CANADIAN CORPORATION MANUAL, by W. P. J. O'Meara, K.C., and Robt. A. Kingston. Published by Richard De Boo Ltd., 137 Wellington St., W., Toronto. Price $35; and $10 a year.

A new handbook for lawyers, auditors, company secretaries and others interested in Dominion company law.

The publication is in loose leaf form and is said a practical working instrument for every solicitor and auditor, and directors and secretaries relying upon their guidance, which will overcome the perplexities of their daily corporate practice with a minimum of time, effort and distraction.

The manual covers incorporation, organization, name and head office, purposes and objects, share capital, borrowing, directors, officers, and dividends, shareholders, books, audits, returns and inspection, supplementary letters patent—reorganizations, dissolution, licenses and registration, private companies, public financing, corporations without share capital, special corporations, regulations and fees and statutes.

The service will be a continuing service maintaining the statutes, orders-in-council, regulations and editorial text constantly up to date. Cost is $35 for the complete service to date in one ring binder. The charge thereafter for the continuing service is $10 annually. Publisher is Richard De Boo Ltd., Toronto.

Mr. O'Meara, a member of the Ontario Bar and Assistant Undersecretary of States for Canada and Advisory Counsel, is officer in charge of companies branch in the Secretary of State's department, Ottawa, as well as being honorary president (past president 1946-47 and 1947-48) of the conference of commissioners on uniformity of legislation in Canada.

Mr. Kingston, a member of the Ontario Bar, was gold medallist at Osgoode Hall Law School. He is co-author of the Ontario Corporation Manual and for the past nine years has been associated with J. S. D. Tory, K.C., with whom he is now a partner specializing in corporation law.

HOW TO PREPARE YOUR INCOME TAX, 1949 Edition, Applicable to 1948 Incomes, by Lancelot J. Smith, F.C.A. Published by Wm. Collins, Sons & Co., Toronto, 97 pages. Price, $1.

At the 1948 session of the Dominion Parliament, the existing income tax act affecting 1948 incomes was changed in some important particulars and new regulations issued. Later a new act applying to 1949 incomes was also adopted. In this new edition of this standard tax guide for individuals and unincorporated businesses, the author explains the changes in the old act as they affect individuals, and the provisions in the new act affecting both individuals and corporations. It thus brings information in previous editions up to date with new data on corporations. New regulations affecting farmers and fishermen are also noted. The book gives examples of the new income tax forms properly completed. By returning a card enclosed with each copy buyers of the book can obtain a free supplement containing a list of dividends paid by Canadian companies in 1948 and any changes in law or regulations affecting 1948 incomes.

YOUR INCOME TAX, Dominion of Canada, Including Excess Profits Tax (Individuals and Partnerships), by A. R. McMichael, F.C.A. Published by Musson Book Co., Toronto, 108 pages. Price $1.

This is the 10th edition of this well known income tax book covering the income tax situation from the standpoint of individuals and partnerships. It tells what must be included in your income for tax purposes; what may be excluded, deductions allowed from income for expenses, taxes, depreciation, charitable donations, dependents, etc. affecting taxes on 1948 incomes.

One chapter deals with excess profits tax for individuals and partnerships and a separate section is devoted to gift tax. There is also a chapter on income tax for farmers and ranchers. Amendments to the income tax act in 1948 affecting taxes on 1948 income are explained.

A special service provides for supplements noting changes in the regulations which may occur up to April 1. These supplements may be obtained by returning a postcard attached to each copy of the book.

ENGINEERING ECONOMICS: An Introduction, by C. R. Young. Published by University of Toronto Press-Saunders, Toronto. 160 pages. Price, $3.

Short, pithy treatment and worked-out examples owe much of their value to Dean Young's many years' experience in teaching a course in engineering economics to senior students (he is dean of the faculty of applied science and engineering at University of Toronto). It offers to hasten and heighten understanding of principles "through the detailed derivation of fundamental formulae," accompanied by the solution in considerable detail of many illustrative problems. The value of worked-out examples is here proven. Exercise problems given at the ends of several chapters, with the answers in an appendix, are a help to self-test on progress in the subject.

Distinctly a technical work, it holds however a good deal of general interest in an introduction dealing with the economic basis of modern engineering and the economic role of the engineer, and in chapters on costs, financing an engineering or construction project, systematic retirement of debt, "present value" and depreciation. Here the property owner or enterpriser will find out a lot about an engineer's function from one of the foremost teachers in the profession.

OCCUPATIONS UNLIMITED, by Edward S. Jones. Published by Foster & Stewart, 210 Ellicot St., Buffalo, N.Y. 249 pages. Price, $2.95.

Dean Jones, University of Buffalo director of personnel and dean of students, maintains that occupations are unlimited in that there are no restrictions on their development except the limitations of supervisors and the workers themselves.

He has written his book to help answer these questions: In what direction is it safe to turn for one's future occupation? How may one be assured of greater security in the future? What are the job trends and demands for the future?

He believes that the urge of engineering and other efficiency experts has been in the direction of "de-skilling," of stripping work down to a few simplified reactions, of reducing social responsibility, of "escape from freedom"; that jobs have too often been devitalized and rid of their human elements.

Jones' main thesis is: "Your occupation can be developed and expanded to the point of greater usefulness, higher pay, and increased authority once you grasp the service requirements and train to perform them. A man is happier when he is adding to his occupation, not subtracting from it."

N. J. McCARTNEY

Brigadier James Moss, President of Gould Storage Battery Ltd., Kingston, Ontario, Canadian subsidiary of the National Battery Company of the United States, announces the appointment of Norman J. McCartney as Sales Manager for Canada with sales offices in Toronto. *

DR. ARTHUR SURVEYER

has been named a director of Credit Foncier Franco-Canadien Ltee.

Chinese Hog Bristles Out, Brush Mfrs. Turn to Nylon

MONTREAL (Staff) — What's going to happen to Canada's $8 millions brush bristle business? That's the question brush manufacturers have been asking since imports of Chinese hog bristles fell off seriously because of the war there. Some say there is good possibility hog bristles will be replaced entirely and permanently by nylon.

The 25-year-old Chinese bristle business, noted at best of times for its price fluctuations, now is exhibiting another facet of its variable character. Civil war and the Communist victory have cut off hog bristle exports.

Some in the industry say this is merely a passing phase—that once internal communications are restored bristle will be available as before, since Communists will not neglect such a valuable source of U. S. dollars. Others say plentiful supplies already are in Chinese port cities but exchange and other difficulties prevent export.

Some importers, however, are pessimistic about restoration of this source of supply. They fear it has been lost permanently, with other countries filling the void. Under present conditions, they think, it would be a long time before even moderate supplies would be available.

In these circumstances, it is said, the situation might mean that the hog-bristled brush would disappear from Canada, probably replaced by nylon.

If the Chinese bristle business is facing its end, it will be the second time within 30 years that revolution and civil war have changed the pattern of this trade. Until the Bolshevik revolution Russia was prime source of hog bristle.

Within 10 years volume of Russian hog bristle available to brush makers dropped 90%. It was then that China became the important producer.

Horsehair is one alternative. But this is unsuitable for many types of brushes and is not available in sufficient quantity. Another alternative is nylon and Canadian production is said sufficient to meet domestic requirements.

First introduced in 1939, nylon bristle was accepted by toilet and industrial brush manufacturers; paint brush makers were more reluctant, although they admitted its many advantages (longer life, no price fluctuation, moth and bacteria resistant). One reason was that some types of creosote used in paint compounds contain coal tar acids which attack nylon. Also some shellacs are dissolved in ethyl or methyl alcohols and temporarily soften nylon bristle.

With improvements in synthetic bristle, however, painters and manufacturers are said to be favoring its use.

CITY OF SHERBROOKE, Que., has sold $440,000 3% serial bonds due Dec. 1, 1949-68 to syndicate composed of Canadian Bank of Commerce and Bell, Gouinlock & Co. Price was 97.52 at net cost to city of 3.254%. Proceeds are for public utility works. Net consolidated debt at Dec. 31, 1948, was about $6 millions. Population, 47,111.

Ind. Acceptance New Notes Placed

MONTREAL (Staff)—New issue of $5 millions 15-year 3½% secured notes, series E, of Industrial Acceptance Corp. has been placed privately by Greenshields & Co. and Wood, Gundy & Co. at par.

Issue is dated Feb. 15, 1949 and matures Feb. 15, 1964, secured by deposit with trustee of receivables purchased in ordinary course of business.

With issue of new notes, company has $25 millions in secured term notes outstanding. Proceeds of new issue will be used to reduce outstanding secured demand notes which totaled $26.24 millions at Feb. 14. Amount of latter notes fluctuates with volume of receivables purchased by company.

Results for 1948 are expected to show record volume of business and highest earnings in company's history, it is reported. Improvement has been shown so far in 1949 over corresponding 1948 period, it is stated.

ROCHE LONG LAC MINES is purchasing mining claims in Sault Ste. Marie Mining division in consideration of allotment of 150,000 shares under agreement with Wm. Stringer of New Toronto and John R. Rea and Peter J. Roche of Toronto. Upon issue of these shares, issued capital will be 2,695,005 shares, leaving 304,995 in treasury.

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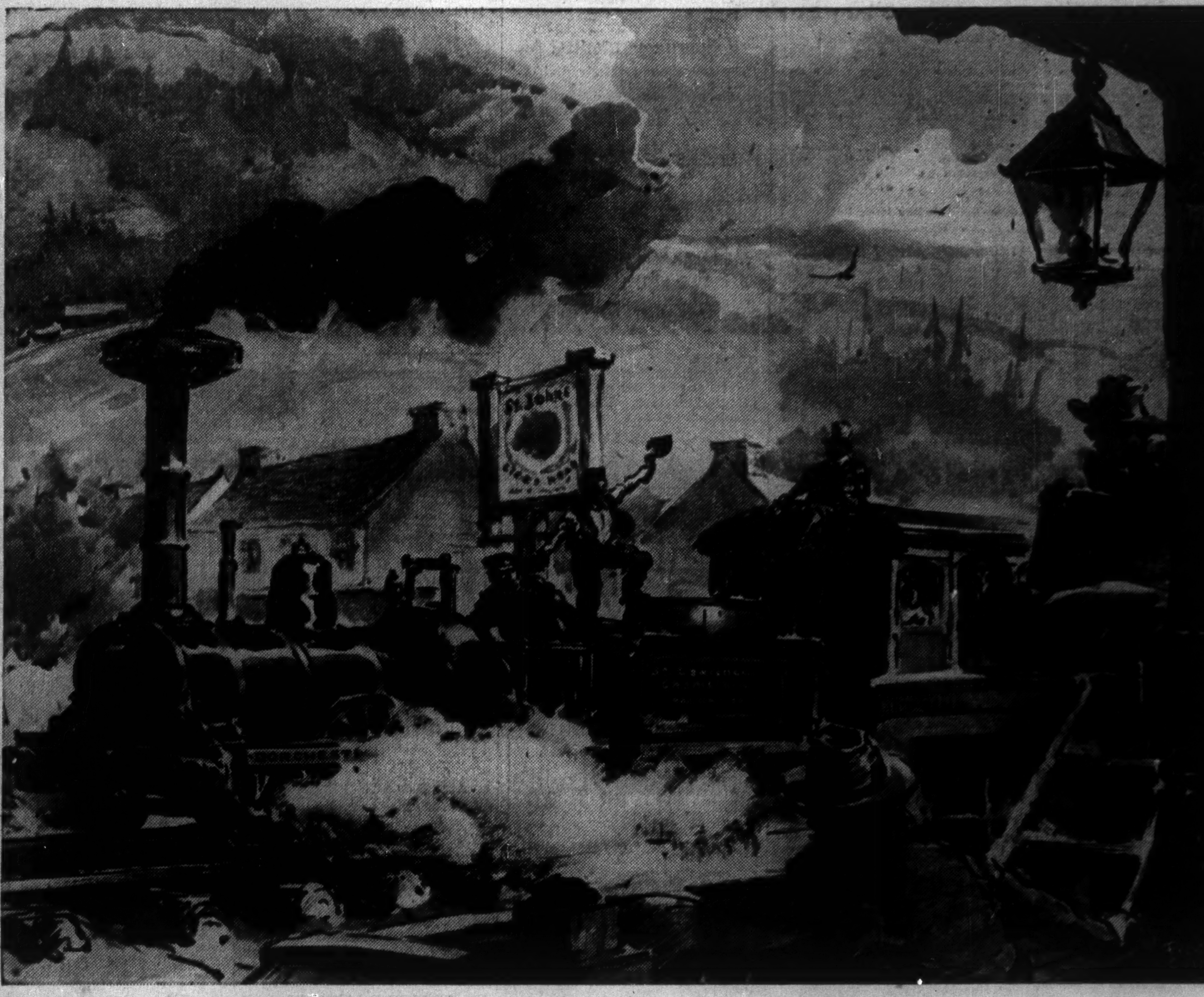

CORNERSTONES OF CANADIAN INDUSTRY

CANADA'S FIRST RAILWAY . . . The "Dorchester," Canada's first locomotive, made its initial run from La Prairie, on the St. Lawrence, to St. Johns, Quebec — about 16 miles — on July 21, 1836. The passengers travelled in two cars, arriving five hours ahead of the other members of the party in their horse-drawn carriages.

Canadian railways have since spanned a continent 4,000 miles in breadth, opening the vast, rich hinterlands from east to west for agriculture and industry. Today, the Canadian Pacific Railway, "The World's Greatest Travel System" and the Canadian National Railways, with the longest trackage on the continent are prime factors in the Canadian economy. In addition to its distribution system, the Dominion's economy is maintained by its basic production capacity. Dow is privileged to play a leading part in maintaining and building a strong economy for Canada and her people. In Dow's Sarnia plants, Canadian labour helps produce the basic chemicals, plastics, and finished products vital to the processes of many Canadian industries.

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DOW CANADA

DIVIDEND NOTICES

CANADA PERMANENT MORTGAGE CORPORATION

Notice is hereby given that a dividend of 2% on the paid up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable

FRIDAY, THE FIRST DAY OF APRIL

next, to Shareholders on record at the close of business on the 15th day of March, 1949.

By order of the Board

J. W. ROSE, Jr.
Secretary.

TORONTO, February 16th, 1949.

The Borden Company

ANNUAL MEETING

The annual meeting of stockholders will be held on Wednesday, April 20, 1949, at 11:00 o'clock A.M. (Eastern Standard Time) at 43 Park Avenue, Flemington, Hunterdon County, New Jersey.

Only stockholders of record at the close of business on Tuesday, March 22, 1949, will be entitled to vote at said meeting, notwithstanding any subsequent transfers of stock.

The stock transfer books will not be closed.

The Borden Company
THEODORE D. WAIBEL, *Secretary*

The Ontario Loan & Debenture Company

247th DIVIDEND

Notice is hereby given that a Quarterly Dividend of $1.25 per share for the current quarter ending 31st March, 1948, has been declared on the paid-up Capital Stock of this Company and will be payable at the Company's Office, London, Ontario, on the 1st April, 1949, to Shareholders of record at the close of business on the 15th March, 1949.

By Order of the Board.

T. H. MAIN,
Manager.

London, Ontario,
22nd February, 1949.

GATINEAU POWER COMPANY

Notice of Dividend on 5% Cumulative Preferred, 5½% Cumulative Preferred and Common Shares.

Quarterly dividends have been declared of $1.25 a share on the 5% Cumulative Preferred Shares, $1.37 a share on the 5½% Cumulative Preferred Shares and 30c a share on the Common Shares, in each case payable April 1, 1949, to holders of record at the close of business March 1, 1949. Cheques in payment will be mailed. Stock Transfer Books will not be closed.

J. R. BINKS,
Secretary.

Montreal, Canada,
February 16, 1949.

FRASER COMPANIES, LIMITED

DIVIDEND NOTICE
PREFERRED STOCK

NOTICE is hereby given that FRASER COMPANIES, LIMITED, has declared a dividend of $1.33 per share on the 4½% Cumulative Redeemable Sinking Fund Preferred Shares of the Company for a period of three months and eleven days, from December 21st, 1948, to April 1st, 1949, payable on April 1st, 1949, to Shareholders of record on March 10th, 1949.

By Order of the Board.

G. G. GILLIES,
Secretary.

Edmundston, N.B.,
February 18th, 1949.

FRASER COMPANIES, LIMITED

DIVIDEND NOTICE
COMMON STOCK

NOTICE is hereby given that FRASER COMPANIES, LIMITED, has declared a dividend of 50c per share on the Common Stock of the Company for the quarter ending March 31st, 1949, payable on April 25th, 1949, to shareholders of record on March 31st, 1949.

By Order of the Board.

G. G. GILLIES,
Secretary.

Edmundston, N.B.,
February 19th, 1949.

Sicks'

SICKS' BREWERIES LIMITED

DIVIDEND NOTICE

To the Shareholders,
Sicks' Breweries Limited.

NOTICE IS HEREBY GIVEN that a Common Dividend (No. 79) of 25 cents per share on the No Par Value Common shares of the Company, issued and outstanding, has been declared payable on the 31st day of March, 1949, to Shareholders of record at the close of business on the 23rd day of February, 1949.

By Order of the Board.

I. N. WILSON,
Comptroller.

CALGARY, Alberta,
February 28th, 1949.

DIVIDEND NOTICES

Silverwood Dairies, Limited

CLASS "A" DIVIDEND NO. 10

Notice is hereby given that the regular quarterly dividend of Fifteen Cents (15c) per share has been declared on the outstanding Class "A" shares of the Company, payable April 1st, 1949, to shareholders of record as at the close of business on February 28th, 1949.

CLASS "B" DIVIDEND NO. 5

A Dividend of Ten Cents (10c) per share has been declared on the outstanding Class "B" shares of the Company, payable April 1st, 1949, to shareholders of record February 28th, 1949.

BY ORDER OF THE BOARD,

L. R. GRAY,
Secretary.

London, Ontario,
February 17th, 1949.

Canada Northern Power Corporation, Limited

The Board of Directors has declared this day the following dividend:

No par value Common Stock

No. 79, quarterly, 15c per share, payable April 25th, 1949, to shareholders of record at the close of business on March 18th, 1949.

L. C. HASKELL,
Secretary.

Montreal, February 22nd, 1949.

Robinson, Little & Company, Limited

WINNIPEG, MANITOBA

Dividend on Common Stock

NOTICE IS HEREBY GIVEN that a quarterly dividend of twenty cents (20c) per share has been declared on the common stock of the Company, payable on the 31st day of March, 1949, to shareholders of record at the close of business on the 15th day of March, 1949.

By Order of the Board.

HERBERT J. SADLER,
Secretary.

Dated at Winnipeg, Manitoba,
February 21st, 1949.

National Steel Car Corporation Limited

NOTICE OF DIVIDEND

Notice is hereby given that a dividend of thirty-seven and one-half cents (37½c) per share has been declared for the quarter ending March 31, 1949, payable on April 15, 1949, to shareholders of record at the close of business March 15, 1949.

By Order of the Board.

H. J. FARNAN,
Secretary.

NOTICE OF DIVIDEND

Famous Players Canadian Corporation Limited

NOTICE is hereby given that a dividend of Twenty-five Cents (25c) per share has been declared for the quarter ending March 31st, 1949, on all issued common shares of the Company, payable on Saturday, the 26th day of March, 1949, to shareholders of record at the close of business on Friday, the 11th day of March, 1949.

By Order of the Board,

N. G. BARROW,
Secretary.

TORONTO, February 22nd, 1949.

THE FOUNDATION COMPANY OF CANADA LIMITED

DIVIDEND NOTICE

Notice is hereby given that a Dividend of thirty-five cents ($0.35) per share for the quarter ending March 31st, 1949, plus an Extra Dividend of fifty cents ($0.50) per share, have been declared on the No Par Value Common Stock of the Company, payable April 21st, 1949, to shareholders of record at the close of business on March 31st, 1949.

By Order of the Board.

A. G. SULLIVAN,
Secretary.

Montreal,
February 23rd, 1949.

PROVINCIAL PAPER LIMITED

Notice is hereby given that Regular Quarterly Dividend of 1% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable March 16th to shareholders of record at close of business March 5th, 1949.

(Signed) W. S. BARBER,
Secretary-Treasurer.

Donnell & Mudge Limited

Notice is hereby given that the Directors of Donnell & Mudge Limited have declared the regular quarterly dividend of 25c per share on the outstanding class "A" Shares of the Company for the quarter ending 31st March, 1949, payable 1st April, 1949, to holders of record at the close of business on the 10th day of March, 1949.

By Order of the Board.

H. C. DWYER,
Secretary.

Dated at New Toronto,
25th February, 1949.

THE SHAWINIGAN WATER AND POWER COMPANY

NOTICE is hereby given that a dividend of fifty cents (50c) per share has been declared on the Series "A" 4% Cumulative Redeemable Preferred Shares of the Company for the quarter ending March 31, 1949, payable April 2, 1949, to shareholders of record March 2, 1949.

By Order of the Board.

J. L. T. MARTIN,
Secretary.

Montreal, February 21, 1949.

DIVIDEND NOTICES

San Antonio Gold Mines Limited

(No Personal Liability)

DIVIDEND NO. 31

Notice is hereby given that a dividend of 7c a share has been declared on the outstanding capital stock of the Company, payable in Canadian funds, on the 15th day of April, 1949, to shareholders of record at the close of business on the 15th day of March, 1949.

By Order of the Board.

F. BERGSON,
Secretary.

Winnipeg,
February 23, 1949.

The B. Greening Wire Company Limited

Common Dividend No. 46

NOTICE IS HEREBY GIVEN that at a meeting of the Directors of The B. Greening Wire Company, Limited, held in the office of the Company on February 8th, 1949, a dividend of Five cents per share on the Common Shares of the Company was declared payable April 1st, 1949, to Shareholders of Record March 1st, 1949.

F. J. MAW,
Secretary.

Hamilton, Ont., February 25th, 1949.

DOMINION SQUARE CORPORATION

Notice is hereby given that a dividend of fifty cents (50c) a share has been declared on the capital stock of the Corporation for the quarter ended 31st January, 1949, payable 15th April, 1949, to shareholders of record at the close of business on 15th March, 1949.

By Order of the Board,

J. S. McFARLAND,
Secretary.

Belgium Glove & Hosiery Co. of Canada Ltd.

DIVIDEND NOTICE
Common Shares

NOTICE IS HEREBY GIVEN that a dividend of 15c per share has been declared on the Common Shares of the Company, payable on April 1st, 1949, to Shareholders of record at the close of business on March 15th, 1949.

By Order of the Board,

JOHN G. PORTEOUS, K.C.,
Secretary.

Montreal, February 24, 1949.

Belgium Glove & Hosiery Co. of Canada Ltd.

DIVIDEND NOTICE
Preferred Shares

NOTICE IS HEREBY GIVEN that a regular quarterly dividend of 1¼% has been declared on the Preferred Shares of the Company, payable on April 1st, 1949, to Shareholders of record at the close of business on March 15th, 1949.

By Order of the Board,

JOHN G. PORTEOUS, K.C.,
Secretary.

Montreal, February 24, 1949.

The Murphy Paint Company Limited

The following quarterly dividend has been declared payable 31st March, 1949, to shareholders of record at the close of business on 14th March, 1949.

Common Stock — Twenty Cents ($0.20) per share on the No Par Value shares.

P. L. TOD,
Secretary.

MONTREAL,
24th February, 1949.

MONTREAL LOCOMOTIVE WORKS, LIMITED

DIVIDEND NO. 12

A dividend of thirty cents per share on the common stock of this company has been declared payable April 1st, 1949 to holders of record at the close of business on March 9th, 1949. Transfer book will not be closed.

CARL A. SUNDBERG,
Secretary.

February 25, 1949.

The Calgary & Edmonton Corporation Limited

Notice is hereby given that a dividend of five cents per share was declared on the first day of February, 1949, payable on the 16th day of April, 1949, to shareholders of record at the close of business on the 11th day of March, 1949.

BY ORDER OF THE BOARD,

CHAS. E. REECE,
Secretary.

DATED at Winnipeg, Manitoba, this 21st day of February, 1949.

THE BELL TELEPHONE COMPANY OF CANADA

NOTICE OF DIVIDEND

A quarterly dividend of fifty cents on each share of $25.00 par value has been declared payable on the 15th day of April, 1949 to shareholders of record at the close of business on the 15th day of March, 1949.

Montreal,
Feb. 23, 1949

S. C. SCADDING
Secretary

Dominion Textile Co. Limited

Notice of Common Stock Dividends

A DIVIDEND of Fifteen cents (15c) per share for the quarter ending 31st March, 1949, has been declared on the Common Stock of DOMINION TEXTILE COMPANY, Limited, and an extra dividend of twenty-five cents (25c) per share on the common stock of the Company has been declared, both payable 1st April, 1949, to shareholders of record 4th March, 1949.

By order of the Board,

L. P. WEBSTER,
Secretary.

Montreal, February 23rd, 1949.

Dominion Textile Co. Limited

Notice of Preferred Stock Dividend

A DIVIDEND of One and Three-Quarters per cent (1¾%) has been declared on the Preferred Stock of DOMINION TEXTILE COMPANY, Limited, for the quarter ending 31st March, 1949, payable 16th April, 1949, to shareholders of record 15th March, 1949.

By order of the Board,

L. P. WEBSTER,
Secretary.

Montreal, February 23rd, 1949.

Will Ottawa Extend Power To Oats, Barley, Aug. 1?

(Special Correspondence)

WINNIPEG — The Winnipeg market for oats and barley showed some weakness at the end of last week. The softness was attributed to reports from Ottawa that the Dominion Government might move to have the Canadian Wheat Board extend its compulsory powers, now exercised over the marketing of wheat, to these other grains.

Although such action is possible under an amendment to the 1948 Canadian Wheat Board Act, it could only become effective at the beginning of a new crop year —on Aug. 1. However, it appears as if some traders preferred to get out of the market, presumably on the theory that any definite announcement that such a change was coming would have an adverse effect in the interval. At the beginning of this week, however, the market strengthened, mainly under the influence of an advance at Chicago, and partly because of a feeling that such a drastic change in marketing methods was perhaps more doubtful than had been suggested in Ottawa despatches.

Interest in this subject was somewhat overshadowed by a much more important problem: the problem now facing Canada in the export of wheat and which will be greatly increased if the United States refuses, for the coming years, to allow Marshall Plan funds for European relief to be used to buy Canadian wheat. How Canada, now completely in control of wheat, can handle that problem, appears to the trade to be far more important than whether or not it extends its present wheat monopoly to other grains.

Situation Unchanged

In any event the situation appears to be the same as last year, when the Government got power from Parliament to extend the wheat board system to oats and barley. It was then announced that the Government would exercise such powers only if the three Prairie provinces would enact complementary legislation both to remove certain constitutional difficulties, and to indicate Western desire for such action. Saskatchewan put through a complementary act, but not Alberta and Manitoba.

Some observers think that the present difficulties with flax would make Ottawa hesitate to increase its responsibilities. The greater part of last year's flax crop, which was much larger than expected, is passing into the Government's hands at its guaranteed price of $4 a bushel. With practically no export outlet at present available, it seems likely that much, and perhaps most of this flax will have to be carried forward into another crop year. A further decline in flax prices may result in very heavy losses.

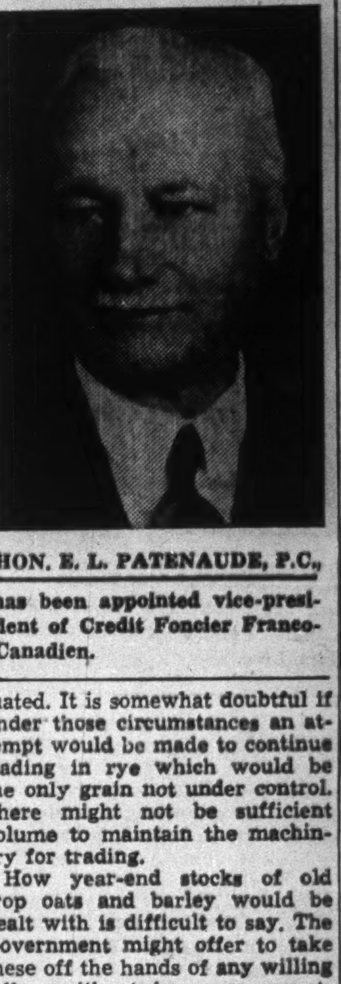
Flax Causing Worry

Presumably the Government will discourage flax seeding in 1949 by refusing to give advance notice of a support price for another year. Nevertheless, to protect its own position, it may be forced to buy up all the flax produced in 1949. It may seem equally dangerous to cut as to maintain the present buying price.

Should oats and barley come under control next August, the futures market at Winnipeg would be automatically eliminated. It is somewhat doubtful if under those circumstances an attempt would be made to continue trading in rye which would be the only grain not under control. There might not be sufficient volume to maintain the machinery for trading.

How year-end stocks of old crop oats and barley would be dealt with is difficult to say. The Government might offer to take these off the hands of any willing sellers without, however, any attempt to enforce sale. Presumably, the closing out of existing futures contracts on the Winnipeg Grain Exchange would be a matter which would have to be worked out by the trade, without interference by the Government, for which jurisdiction would appear to be lacking.

Despatches have stressed the possible difficulties of Ottawa operating an agency for handling coarse grains for which producers would expect the best possible price, while buyers in other parts of Canada might object to efforts in that direction. Such difficulties might be described as political. On the whole, the trade in Winnipeg appears to be more impressed by what might be called the mechanical difficulties of the Wheat Board in handling oats and barley, with the possible need for setting up new machinery for distributing feed grains in Eastern Canada, to replace present merchandising methods. Although the volume to be handled is much smaller than the volume of wheat handled by the Wheat Board, the technical problems might be more difficult. Not only do feed grains represent a business largely domestic in character, as opposed to wheat which is mainly an export commodity. In addition they require what is almost a retail distribution, and opposed to the wholesale character of the wheat trade.



HON. E. L. PATENAUDE, P.C.,

has been appointed vice-president of Credit Foncier Franco-Canadien.

DIVIDEND NOTICES

H. R. MacMillan Export Company Limited

NOTICE IS HEREBY GIVEN that a dividend of 12½ cents per share on the class "A" shares of the Company has been declared for the quarter ending March 31st, 1949, payable March 31st, 1949, to shareholders of record at the close of business on March 10th, 1949.

NOTICE IS HEREBY GIVEN that a dividend of 12½ cents per share on the class "B" shares of the Company has been declared for the quarter ending March 31st, 1949, payable March 31st, 1949, to shareholders of record at the close of business on March 10th, 1949.

The Transfer Books will not be closed.

Dated at Vancouver, B.C., this 23rd day of February, 1949.

By Order of the Board.

G. D. ECCOTT,
Secretary.

Chesterville Mines Limited

(No Personal Liability)

Interim Dividend Notice No. 11

Notice is hereby given that an interim dividend of 5c (five cents) per share, payable in Canadian funds, has been declared by the Directors of Chesterville Mines Limited, payable on May 16th, 1949, to shareholders of record at the close of business April 30th, 1949.

By Order of the Board.

E. V. OAG,
Secretary-Treasurer.

Toronto, February 25th, 1949.

Dominion Glass Company Limited

Notice is hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 31st day of March, 1949.

Notice is also hereby given that a dividend of Twenty-five cents (25 cents) per share has been declared on the COMMON STOCK of the Company for the quarter ending the 31st day of March, 1949.

The above Dividends will be paid on Friday, the 15th day of April, 1949, to Shareholders of record at the close of business Tuesday, the 29th day of March, 1949.

By Order of the Board.

F. N. DUNDAS,
Secretary.

Montreal, 23rd February, 1949.

THE STERLING TRUSTS CORPORATION

DIVIDEND NOTICE

NOTICE is hereby given that a dividend of 1½% for the current quarter ending March 31st, 1949, has been declared on the paid up capital stock of the Corporation and will be payable on April 1st, 1949, to shareholders of record at the close of business on March 15th, 1949.

By Order of the Board.

E. R. MEREDITH,
Secretary.

Canadian Westinghouse Company, Limited

DIVIDEND NOTICE

Notice is hereby given that on February 23, 1949, the Board of Directors of this Company declared a dividend of Fifty Cents (50c) per share upon the outstanding Capital Stock of the Company, payable April 1, 1949, to Shareholders of record at the close of business, March 15, 1949, subject to the regulations of the Foreign Exchange Control Board of the Dominion Government.

Cheques will be mailed to Shareholders.

By Order of the Board,

W. A. CAMPBELL,
Secretary.

Hamilton, Canada,
February 28, 1949.

CANADIAN CELANESE LIMITED

1401 McGill College Avenue,
Montreal, P.Q.

The Board of Directors has this day taken the following action with respect to Dividends:

PREFERRED SHARES, $1.75 SERIES

Forty-three and three-quarter Cents (43¾c) per share, which shall be deemed to be for the three months period from January 1, 1949, to March 31, 1949, has been declared payable March 31, 1949, to the holders of record at the close of business on March 15, 1949.

PREFERRED SHARES, $1.00 SERIES

Twenty-five Cents (25c) per share, which shall be deemed to be for the three months period from January 1, 1949, to March 31, 1949, has been declared payable March 31, 1949, to the holders of record at the close of business on March 15, 1949.

COMMON STOCK

Thirty-five Cents (35c) per share in respect of the first quarter of 1949 has been declared payable March 31, 1949, to the holders of record at the close of business on March 15, 1949.

A. G. ALLAN,
Secretary.

February 24, 1949.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

SANGAMO CO. 1948 net profit was just off narrowly from previous year at $325,486 ($336,941). Throughout the year cost of materials, labor and services continued to rise and with little or no relief by way of increased selling prices, the margin of profit earned, even with high volume, was less than in 1947, the annual report states. With substantially less tax provisions required, however, net profit carried to surplus was only slightly under that earned in 1947.

Total backlog of unfilled orders, while still heavy, is considerably lower than a year ago. Much heavier inventories of finished products had to be built and maintained to meet customer's requirements. Production and sales in 1948 were highest in history and up some 12½% from 1947. At the same time export sales were 70% higher than in 1947. As a very large proportion of company's export business is payable in U. S. dollars, the company was able to not only obtain sufficient U. S. exchange to finance all imports of materials and parts required from U. S., but in addition was able to sell a substantial sum of U. S. dollars to the Foreign Exchange Control Board.

A one-story extension to the north-east corner of the main factory building, to provide some 14,000 sq. ft. of badly needed additional manufacturing space, was completed at a cost of slightly more than $100,000. In addition, $175,000 was spent on new machines, tools and dies, and improved plant equipment.

The capacitor division at Newmarket again operated at a deficit —the market for its products continuing disappointingly low. To relieve crowded conditions in the Leaside plant, some meter operations were moved to Newmarket.

INCOME ACCOUNT

Years Ended Dec. 31:	1948	1947
Net earnings	$747,312	$869,816
Less: Deprec.	211,451	230,549
Bond int. & exp.	19,375	7,326
Inc. tax res.	191,000	295,000
Net profit	325,486	336,941
Less: Com. divds.	90,607	90,606
Surplus for year	234,879	246,335
Earnings per Share and Dividend Record:		
Com.: Earned	$1.80	$1.86
Paid	0.50	0.50
CONDENSED BALANCE SHEET		
As at Dec. 31:	1948	1947
Cash	$27,703	$170,206
Accts. rec.	597,445	511,622
Inventories	1,775,972	1,592,245
Total curr. assets	2,401,120	2,274,073
Prepaid chgs., etc.	§56,025	18,357
Misc. assets▲	11,754	6,498
Fixed assets*	805,033	732,523
Total assets	3,273,932	3,031,451
Accts. & tax. pay.	493,568	466,047
Ser. bd. due	75,000	......
Total curr. liab.	568,568	466,047
Funded debt	600,000	750,000
Pension res.	......	20,000
Contingent res.	120,000	120,000
Capital stock	505,135	505,135
Earned surplus	1,480,229	1,170,269
*After depr. of	922,049	821,999
▲Incl. refund. EPT.	4,747	......
Working capital	1,832,552	1,808,026

§Included in curr. assets in co's. report.
Note:—Ref. EPT of approx. $7,760 not included in 1947 accounts.

EASY WASHING MACHINE CO., 1948 net profit was up sharply at $208,678 ($135,329). Sales and production volume were the highest in history. While material and labor costs climbed steadily over the past 12 months, competitive prices were maintained on all products, by introduction of new production methods, the annual report states.

Capital expenditures for year totaled $64,200 for latest in machine tools and equipment. This equipment enabled the company to start production last August on the new model A3 Spindry washer, which has contributed greatly to the success of the year's business. Inventory on hand is all current and averages not more than three months' production requirements.

Sales of Dualock Locknuts also showed a large increase. It is anticipated sales in 1949 will be considerably greater. Volume of locknut sales in U. S. provided a welcome source of additional U. S. dollars, it is stated. To meet restrictions on certain imported lines, production on an all-Canadian electric floor polisher began in April. Consumer and dealer acceptance is said to have been greater than anticipated. Further negotiations are now under way to manufacture the Vornado Air Circulator in Canada, along with other appliances for which the company has sole manufacturing and sales rights.

Approximately 53,000 sq. ft. of floor space will be added in a factory extension program. Provision has been made for erecting and equipping the new extension at an approximate cost of $222,000. Directors are confident that the company can continue to maintain its position in the industry and with redesigned and mechanically improved models of washers and other exclusive appliances, look forward to 1949 with optimism, the annual report says.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1948	1947
Net earnings	$370,078	$330,678
Less: Deprec.	28,400	23,849
Inc. tax	133,000	-151,500
Nonrecur. pens.	......	20,000
Net profit	208,678	135,329
Less: Com. divds.	45,933	30,622
Surplus for year	162,745	104,707
Earnings per Share and Dividend Record:		
Common	$6.81	$4.42
Paid	1.00+0.50	0.75+0.25
CONDENSED CONS. BALANCE SHEET		
As at Dec. 31:	1948	1947
Cash	$48,775	$6,190
Accts. rec.	325,281	236,455
Inventories	360,893	285,096
Total curr. assets	734,949	627,741
Misc. assets▲	13,801	30,673
Fixed assets†	241,140	206,917
Total assets	989,890	755,588
Total curr. liab.	309,101	334,294
Capital stock	42,782	42,782
Distrib. surplus	45,807	45,806
Earned surplus▲	‡392,209	352,649
†After depr. of	171,634	149,960
▲Incl. ref. EPT.	8,413	34,000
‡Includes $76,815 tax credit re prior yrs.		
Working capital	425,848	193,447

NEW YORK STOCK EXCHANGE and its affiliated companies had total income of $6,890,140 in 1948, or $171,689 less than in 1947, President Emil Schram reports. This resulted in consolidated net loss of $435,597, after depreciation charges of $556,892 and after estimated "carry back" recovery of $288,686 in federal taxes ($116,171 after $542,523 and $35,094 respectively in 1947).

Expenses before depreciation for 1948 were $7,055,531 ($6,670,571), an increase of about 5%.

Net current assets amounted to $9,840,000 at Dec. 31, 1948, up $14,700.

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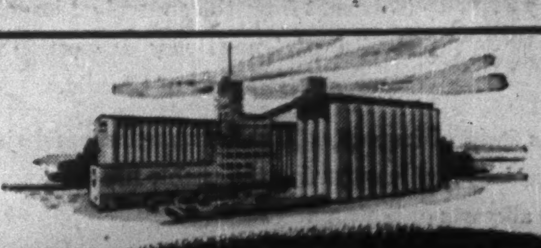

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MONTREAL SARNIA WINNIPEG

Import Controls and Capital Expansion

Report Shows How Costs Were Divided Under Quota Program

OTTAWA (Staff) — The impact of dollar-saving controls on capital expansion and on the importation of capital goods in 1948 is outlined and analyzed in a special report tabled in the Commons last week.

The report covers two main items of information, capital goods imports and capital goods authorizations. Here are the highlights:

1. Capital Goods Imports: It is disclosed that in the first 11 months of 1948, imports of Schedule III commodities from United States totalled $519 million, a saving of $45 million from the same period in 1947.

It is claimed that if allowance is made for changes in prices during this period, the actual saving in U. S. imports would have been $99 million instead of $45 million.

In the same period, Canada doubled her imports of Schedule III items from U. K. The 1948 figure (first 11 months) is $43.6 million against $21.6 million in the same period of 1947. Imports from all other countries under this schedule rose from $1.7 to $7.7 million in the similar period.

Of total imports in Schedule III of $519 million in the first 11 months of 1948, $283 millions was for capital goods and $235 millions was for production materials.

Almost half of the latter total was for importation of automotive parts ($106 million in the first 11 months of 1948 against $103.5 million). Importation of vehicles cost $15 million in U. S. exchange in 1948 (first 11 months) against $76 million.

2. Capital Goods Authorizations: The report contains a detailed analysis of projects, permits and authorizations cleared by the control authorities at Ottawa since dollar-saving restrictions were introduced in November, 1947.

The box score is roughly this:

a. **Construction Projects** having a capital cost of $898 million were approved between Dec. 1, 1947 and Dec. 31, 1948. Some 349 individual projects were included, requiring $157 millions (or 17½%) of imported goods. Of total imports required, over 90% ($149 million) were U. S. capital goods.

b. **Allotment Permits** for the import of production material or components parts in continuous flow, were granted in 4,220 cases for a total value of $308 million during 1948.

Of these, 2,391 valued at $271 million were in manufacturing.

Bulk of the dollar value of allotment permits came from: transportation equipment firms ($141 million); iron and steel products ($57.4 million); electrical apparatus and supplies ($55.3 million). Permits granted to wholesale trade were valued at $27 million.

c. **Capital Goods.** Some 40,519 individual permits were approved and 1,439 applications were rejected. Dollar value of permits approved was $134 million.

One of the most important compilations is the breakdown of new construction projects which came under review by the import control authorities administering Schedule III.

This tabulation shows that out of 349 projects with a total estimated capital cost of $898 million, about 82% ($741 million) was supplied by Canadian capital goods. Of the remainder, 16.5% ($149 million) was U. S. capital goods and only 1½% ($8.4 million) came from other countries.

The detailed breakdown by industries follows:

APPROVED PROJECTS, 1948, (BY INDUSTRY)

Industry	No. of Projects	Total Capital Cost	Value of Can. Capital Goods	Value of Imp. Capital Goods	Value of U. S. Capital Goods
		($ Millions)			
Forestry	1	4.2	2.7	1.5	1.5
Mining (incl. milling) quarrying, oil wells	11	36.1	30.3	5.8	5.8
Manufacturing:					
Foods & beverages	51	41.2	30.1	11.1	10.5
Tobacco & tobacco products	2	2.6	1.9	.7	....
Rubber products	9	3.5	2.7	.8	.8
Leather products	4	.8	.5	.3	.3
Textile products (except clothing)	44	52.7	24.7	28.0	24.2
Clothing (textile & fur)	16	4.6	.4	4.2	3.9
Wood products	7	1.7	1.1	.6	.6
Paper products	36	106.5	93.6	12.9	12.6
Printing, Publishing, etc.	8	7.0	4.1	2.9	2.9
Iron & steel products	25	18.3	9.7	8.6	8.3
Transportation equipment	18	12.4	8.9	3.5	2.6
Nonferrous metal products	16	12.1	9.3	2.8	2.8
Electrical apparatus & supplies	11	18.9	14.4	4.5	4.5
Nonmetallic mineral products	11	17.2	14.6	2.6	2.0
Products of petroleum & coal	17	50.9	40.1	10.8	10.8
Chemical products	17	33.4	27.2	6.2	6.2
Misc. manuf.	10	6.9	5.0	1.9	1.5
Total	302	390.7	288.3	102.4	94.5
Transport., storage & communication	11	29.6	20.7	8.9	8.8
Public utility operation	9	409.0	372.7	36.3	36.2
Trade	2	.8	.4	.4	.4
Finance, insur. & real estate	3	5.0	4.6	.4	.4
Service	10	23.0	21.5	1.5	1.1
Total	349	898.4	741.2	157.2	146.8

One compilation analyzes the detail of applications for machinery and equipment to be installed in Canadian plants.

Total investment covered by the study is valued at $1,289 million. Of this, machinery and equipment of Canadian manufacture represents 73% ($941 million). U. S. manufactured items account for 25% ($322 million); other countries 2% ($26 million).

As compared with 1947, the Canadian percentage has been moved up from 68.6 to 73. The U. S. percentage of investment is cut back from 30 to 25.

Another interesting analysis in the report shows a breakdown of reasons given for seeking U. S. dollar expenditure on proposed capital or construction projects.

The most important dollar value of projects approved was under the reason "maintenance of essential public service." In a footnote it is stated that of this total, the largest is the five-year Ontario Hydro Electric development program. The tabulation follows:

APPROVED PROJECTS, 1948

Chief Reason of Essentiality	No. of Projects	Total Capital Cost $000,000	%	Value of Capital Goods Imports Approved $000,000	%
Replacement of foreign imports	106	100.4	11.2	31.1	19.8
Reduction of unit cost and improvement of competitive position	59	39.3	4.4	14.4	9.2
More intensive use of Canadian natural resources	57	125.0	13.9	31.2	19.8
Expansion of exports	56	104.9	11.7	18.7	11.9
Maint. of essential public service	31	435.6	48.5	44.6	28.4
Prod. of commodities new to Canada	24	44.6	4.9	9.3	5.9
Other reasons	28	48.6	5.4	7.9	5.0
Total	361	898.4	100.0	157.2	100.0

Commenting on what these new projects mean to Canadian industry and development the report gives the following detail:

(1) **Projects to Replace Foreign Imports:** Into this general group fall a substantial variety of products such as inter-city buses, insulation material, streptomycin penicillin, foamed latex and cut rubber thread, jute and cotton bags, aluminum power transmission cable, ophthalmic lenses, cellulose acetate filament yarns and staple fibre, glycol, asphalt tile flooring, pharmaceuticals and electric meters.

(2) **Projects to Reduce Unit Costs:** The two industries most affected by this expansion are primary textiles and primary iron and steel in which over $18 million is being spent on replacement and modernization alone.

(3) **Projects to Provide More Intensive Use of Canadian Resources:**

These include projects which are to increase the degree of domestic manufacture of Canadian raw materials. Such projects are a new smelter to produce brass and copper products, a plant to process base metals in Quebec province and a plant in Alberta to clean unmarketable crude oil which is to be further refined.

(4) **Projects to Expand Canadian Exports:**

These are 56 in number and are to have a total capital cost of $105 million. Many of these are in the pulp and paper industry.

(5) **Essential Public Service:** The amount of expansion taking place in the industries offering a public service is in the order of $436 million for which there are 31 projects.

The type of expansion varies considerably in this classification from the construction of a new dock in the Maritimes to the erection of a new wing for an Ontario hospital. In addition some of the projects are for railways, such as the installation of a new block signalling system and of other safety devices.

In addition to the above type of project, included in this classification are the hydro-electric power developments which are presently taking place.

(6) **Production of New Products:** 24 projects, costing $45 million, are to manufacture products not made in Canada before November, 1947.

These are not all the new products which were made or planned to be made in Canada in 1948, since the equipment required for many new products either does not involve capital goods importations or, if they are involved, not in sufficient amounts to warrant a project authorization.

Some of these new products which are contributing to the growing industrial diversification of Canada are as follows: certain types of pure chemicals and essential oils, new type automobile and truck tires, tubes and wheels, truck axles, fibre food cups and containers as well as fibre hospital tray covers, aluminum venetian blinds slats, transit pipe, caustic soda, tubular locks and latches, pyrex nursing bottles and jet aircraft and engines.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

MELCHERS DISTILLERS LTD. 1948 net profit was off 28.9%. Manufacturing costs were up materially, because of increased wages, salaries and high grain prices. During latter part of year, however, grain prices eased considerably, so directors look forward to normal cost in current year, President V. Marchand states.

Gin sales are returning to more normal basis and increasing demand for whiskies is evident, especially for those of older ages. Near year's close, company released two new brands of aged rye whisky, namely "Aristocrat" and "Anniversary," ages 8 and 6 years respectively. Reception given these new brands exceeds most optimistic estimates, it is said.

INCOME ACCOUNT

Years Ended Dec. 31:	1948	1947
Net earnings	$317,408	$411,074
Less: Deprec.	108,118	98,321
Income tax	93,400	149,600
Net profit	115,890	163,153
Less: Pref. divds.	75,000	75,000
Surplus for year	40,890	88,153
Earnings per Share and Dividend Record:		
Before partic.:		
Preferred	$0.93	$1.31
Paid	0.60	0.60
On partic. basis:		
Preferred	0.92	1.17
Common	0.02	0.27
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1948	1947
Cash	$29,928	$79,174
Accts. rec.	123,814	44,441
Inventories	1,585,462	1,511,817
Life ins., c.s.v.	2,124	1,841
Total curr. assets	1,741,328	1,637,273
Misc. assets▲	353,056	357,657
Fixed assets*	984,750	1,041,959
Total assets	3,079,134	3,036,889
Bank loans	275,000	300,000
Accts., tax., etc., pay.	360,218	334,770
Total curr. liab.	635,218	634,770
Cont. reserve	40,000	40,000
Capital stock	1,500,000	1,500,000
Surplus▲	‡903,916	‡862,119
*After depr. of	812,657	707,037
▲Incl. ref. EPT	337,056	337,056

‡Of which $202,427 in 1947 and $239,937 in 1948 may be applied (if and when declared) to distrib. to pref. shldrs. as addit. noncum. divd. up to 3%; and of which $249,874 in 1948 and $245,576 in 1947 may be distrib. as participating divds. to pref. & common holders.

Working capital	1,106,110	1,002,503

B.C. ELECTRIC CO. has had 30,000 additional 4¾% cumulative, redeemable preferred shares, $100 par value, approved for listing on the Montreal Stock Exchange. The additional shares will be admitted for trading at the opening April 1, 1949.

DAVIS PROCESS CONTROLS

Include controls to provide uniformity of processing conditions such as time, temperature and pressure, thus improving production quality and safety.

Davis AUTOMATIC CONTROLS Limited

COTTON DOES THE JOB

CANADA SLEEPS on cotton. Today, four out of five mattresses are spring filled, yet actually use larger amounts of cotton than the old flock mattress.

Surprising? ... yes, but cotton is a surprising material.

Consider its strength, resilience, easy handling, economy.

Consider its many applications in the bedding industry for pillow and mattress ticking, filling, inner-spring covering, tufting, wicking and seaming twine ... Qualities which continue to maintain cotton's strategic place in industry — yesterday, today, tomorrow.

Tex-made T.M. REG'D

DOMINION TEXTILE COMPANY LIMITED
Montreal, Canada

MASSEY-HARRIS COMPANY, LIMITED AND ITS SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEET

Canada, United States, United Kingdom and South Africa as at November 30, 1948.
South America and New Zealand as at August 31, 1948.

ASSETS

CURRENT:		
Cash on hand and in banks		$14,529,972.72
Bonds of New Zealand Government—at cost (approximately market)		9,726.47
Bills and accounts receivable	$ 7,341,961.65	
Less reserves	1,207,532.52	6,134,429.13
Inventories—(as certified by the management—quantities determined by count or from book inventories verified by count during the year and valued at the lower of cost or market)	$59,134,871.25	
Less reserves	8,333,491.59	50,801,379.66
Insurance deposits and prepaid expenses		569,546.38
		$72,045,054.36
INVESTMENTS:		
Investment in shares of H. V. McKay Massey Harris Pty. Limited and H. V. McKay Massey Harris (Queensland) Pty. Limited	$ 1,795,200.00	
Investment in shares of South African Farm Implement Manufacturers Limited	225,884.45	2,021,084.45

Investments are shown at cost, converted at rates of exchange prevailing at November 30, 1948.

FIXED:		
Land, buildings and equipment	$32,604,959.53	
Less reserves for depreciation, including surplus from revaluation of acquired plant	16,190,959.55	16,413,999.98

Fixed Assets are included at cost, except certain fixed assets acquired in 1928. These latter assets, to which the value of $1 was assigned, were revalued at that time by the management and the surplus of $961,041.74 remaining from this revaluation is included in both the above fixed assets and reserves.

NET ASSETS OF SUBSIDIARIES IN CONTINENTAL EUROPE		4.00
PATENTS		1.00

NOTE: Assets and liabilities of subsidiaries located in countries other than Canada and the United States consolidated in this balance sheet consist of current assets $10,741,000, current liabilities $3,830,000, (net current assets $6,911,000) and fixed assets at depreciated cost $1,342,000.

Earned surplus shown herein includes $2,056,000 accumulated in such subsidiaries.

Net current assets are stated at rates of exchange prevailing at November 30, 1948 and net fixed assets substantially at rates of exchange prevailing at dates of acquisition. Exchange rates and transactions involving foreign currencies are subject to governmental exchange regulations.

		$90,480,143.79

LIABILITIES

CURRENT:		
Bank advances	$ 1,554,171.43	
Accounts payable and accrued charges	5,919,817.70	
Reserve for income, sales and other taxes	5,063,875.76	
Quarterly dividend on common shares payable December 15, 1948	334,394.75	
Advance payments received from customers	8,887,157.03	$21,759,416.67
RESERVES:		
For contingencies and exchange	$ 3,535,846.26	
For pensions	1,497,269.05	5,033,115.31
FUNDED INDEBTEDNESS:		
Bonds and debentures issued by Massey-Harris Company, Limited payable in Canadian currency— 3% First mortgage bonds, series "A" dated June 1, 1946—		
Serial bonds maturing in annual instalments of $400,000 each, on June 1, 1949 to 1951 inclusive and $350,000 each on June 1, 1952 to 1956 inclusive	$ 2,950,000.00	
Sinking fund bonds maturing June 1, 1966	8,250,000.00	
4¾% Sinking fund debentures dated August 1, 1948, maturing August 1, 1963	7,500,000.00	
	$18,700,000.00	
3⅝% Promissory note issued by The Massey-Harris Company (subsidiary in the United States) payable in United States currency maturing November 1, 1968; $400,000 to be prepaid annually on November 1, 1949 to 1967 inclusive	10,000,000.00	
3½% Sinking fund debenture stock maturing March 15, 1972, issued by Massey-Harris Limited (subsidiary in United Kingdom) payable in British currency and guaranteed by the Canadian Company—converted at rate of exchange prevailing at November 30, 1948	1,608,000.00	30,308,000.00
CAPITAL AND SURPLUS:		
Capital—		
As authorized—		
161,200 Convertible redeemable preference shares of par value of $20 each—redeemable at $30		
2,000,000 Common shares without nominal or par value		
Whereof issued—		
161,200 Convertible redeemable preference shares of $20 each	$ 3,224,000.00	
1,338,114 Common shares (including 18,914 shares sold during the year for $282,044.07)	11,826,497.44	
	$15,050,497.44	

Rights to purchase 76,236 common shares have been sold to certain employees of the Company and its subsidiaries. The above issued capital gives effect to the conversion during the year ended November 30, 1948 of 96,585 preference shares into 144,877½ common shares, on the basis of 1½ for 1.

Deferred surplus—not available for dividends under British tax regulations	213,060.00	
Surplus resulting from reorganization of capital under the compromise or arrangement confirmed by supplementary letters patent dated February 23, 1942	2,206,206.76	
Earned surplus	15,909,847.61	33,379,611.81
		$90,480,143.79

STATEMENT OF CONSOLIDATED PROFIT AND LOSS

Canada, United States, United Kingdom and South Africa for the year ended November 30, 1948
South America and New Zealand for the year ended August 31, 1948

Net sales, after deducting cash and other discounts		$143,864,964.39
Cost of manufacturing and marketing, not including the charges below		121,716,920.38
		$ 22,148,044.01
Income from investments and net profit on sale of capital assets	$ 325,962.43	
Dividends received from subsidiaries in Continental Europe not consolidated herein	144,259.67	470,222.10
		$ 22,618,266.11
Less: Interest on borrowings	$ 178,922.60	
Interest on funded debt	638,642.01	
Contribution to pension fund	270,000.00	
Provision for depreciation and amortization	2,161,805.99	
Provision against the contingency of future decline in inventory values	1,669,134.83	4,918,505.43
Profit before provision for taxes on income		$ 17,699,760.68
Less provision for taxes on income in Canada and foreign countries		8,655,000.00
Net profit for the year		$ 9,044,760.68

Note: The above net profit includes $1,318,000 being the net profit of subsidiaries located in countries other than Canada and the United States converted at rates of exchange prevailing at November 30, 1948. This includes net profit of $838,000 of subsidiaries in certain foreign countries from which the remittance of dividends is subject to restrictions.

The following items were paid during the year—Directors' fees $22,100.00; remuneration to executive officers, including directors holding salaried employment and legal fees $192,332.49.

STATEMENT OF CONSOLIDATED EARNED SURPLUS

Balance at credit November 30, 1947		$ 8,684,384.37
Payments received from subsidiaries in Europe on pre-war accounts previously written off		103,812.65
Net profit for the year ended November 30, 1948		9,044,760.68
		$ 17,832,957.70
Dividends:		
Preference shares, $1.25 per share at the rate of 6¼% for the year to August 31, 1948	$ 256,410.63	
Common shares, $1.00 per share, comprising four quarterly dividends of 25¢ each	1,276,856.25	
Discount and expenses on debentures and notes, including legal fees of $23,183.61	389,843.21	1,923,110.09
Balance at credit November 30, 1948		$ 15,909,847.61

OUTLOOK

(Extract from Report of the Directors)

In considering the outlook for 1949, we recognise that owing to the continued great demands of industry in general, accentuated by the re-armament programmes of the United States and Canada, difficulties will continue to be encountered in the securing of certain raw materials and components. Although we are moving into a more competitive selling period the Company's most important lines which include combines and heavy tractors still enjoy a demand that seems likely to continue to tax the capacity of our plants. The quality and performance of the Company's product and the efficiency of its field force and dealer organization place it in an excellent position to meet the more competitive conditions which lie ahead. Currency difficulties still present many worrying problems but the operations under the European Recovery Programme are facilitating the shipment of our products to many important overseas markets.

The demand for our products in both Canada and United States still continues at a high level, the sales for the first two months of the current fiscal year having greatly exceeded those of the same period in 1948.

Mindful always of the uncertainties inherent in present day conditions, we nevertheless feel that 1949 will be another year of outstanding accomplishment for the Company.

FINANCIAL HIGHLIGHTS

	1948	1947
Sales	$143,864,964	$93,834,104
Net profit	$9,044,761	$4,084,066
per dollar of sales	6¼¢	4⅓¢
per share of common stock	$6.61	$3.20
Taxes on income	$8,655,000	$4,140,000
Dividends paid per share		
Preferred	$1.25	$1.25
Common	$1.00	$ .87½
Current assets	$72,045,054	$48,265,911
Current liabilities	$21,759,417	$14,677,575
Net working capital	$50,285,637	$33,588,336
Ratio of current assets to current liabilities	3.31	3.29
Funded debt	$30,308,000	$17,708,000
Land, buildings and equipment	$32,604,960	$26,981,367
Reserve for depreciation including surplus from revaluation of acquired plant	$16,190,960	$14,176,430
Net expenditure on fixed assets	$5,770,849	$4,633,260
Preferred shares outstanding	161,200	257,785
Common shares outstanding	1,338,114	1,174,322½
Number of shareholders	9,737	9,923
Number of employees	16,453	14,075

Massey-Harris Company, Limited • Toronto, Canada

Manufacturers of Agricultural Implements for over 100 years.

Amended Legislation to Safeguard Surplus Funds of Credit Unions

A bill introduced in the Ontario legislature aims at strengthening the provisions of the provincial Credit Unions Act dealing with the investment of surplus funds of credit unions of Ontario incorporation.

The effect of the new legislation will be to limit the investment of these surplus funds to the same securities as are permitted to insurance companies under the provincial insurance act.

It in no way affects the powers of the unions to make loans to their members, one of their chief objects.

In the Ontario Credit Unions Act, the objects for which credit unions are formed are set forth as to:

1. Receive money on deposit from members and as payment for shares.
2. Make loans to members with or without security for provident and productive purposes.
3. Make loans to other credit unions.
4. Deposit money with and make loans to any league of 10 or more credit unions incorporated under section 48 of the same act, such deposits or loans not to exceed 25% of the credit union's total assets.
5. Invest up to 25% of capital in the paid-up shares of other credit unions or any league incorporated under section 48 of the act.

85,000 to 90,000 Members

There are now approximately 368 active chartered credit unions operating in Ontario, with a membership of between 85,000 and 90,000 and combined assets of about $13.5 millions.

The importance of making loans available to the members at low rates of interest was stressed by the Ontario Government some years ago, as one of the main functions.

But in many cases where the members make substantial deposits, demand for credit is relatively small. Accordingly substantial surpluses over the normal credit needs of certain individual unions have occurred and in some cases, there has been difficulty in finding profitable employment for these funds. In some cases, (not many, it is claimed) financial losses have been experienced and it is as a safeguard against this that the act is now being amended.

Section 34 (1) of the present act dealing with investments says: "A credit union may invest any part of its funds in or upon any security authorized by its by-laws."

New Clause

Under the new legislation, this will be replaced by the following clause:

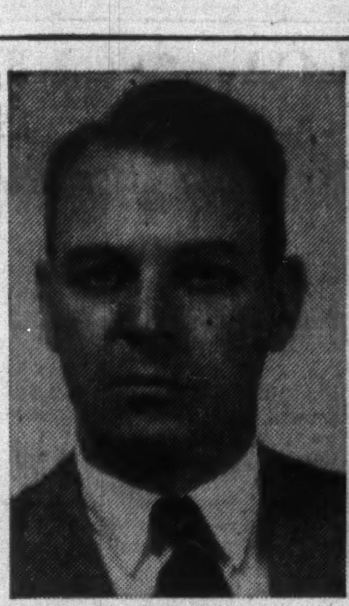
"The funds of a credit union that are not required for the purpose of making loans to members or for the guarantee fund shall be invested—

"In any investment that is authorized by the companies act for the investment of the funds of a joint stock insurance company, or

"In any other investment where such investment is approved by a resolution passed by a two-thirds majority of those present at a meeting of the members called for the purpose, but in no case shall a resolution under this clause affect more than 10% of the share capital and deposits of the credit union and in no case shall the aggregate of all investments of the credit union under this clause exceed 25% of its share capital and deposits."

The act also provides that investments made previously which don't comply with the new section may be retained by the credit union but must be disposed of at the first opportunity.

Certain other minor revisions clarify the liability and responsibility of employees as distinct from officers of a credit union making the clauses now applying to officers, apply to employees as well.



GODFREY S. PETTIT

has been appointed a director of Photographic Survey Corp.

IFIC Tells Why Car Insurance Rates Have Risen Since 1939

Why is the cost of automobile insurance higher?

In a six page folder the Independent Automobile and Casualty Insurance Conference cites facts and statistics to explain the situation.

Insurance premiums must follow accident frequency and costs, it declares:

"During the war years, travel restrictions kept accidents to a minimum so that the insurance companies in that period voluntarily reduced premium rates. Now, traffic and traffic accidents are rapidly mounting.

"It is the motorists, the general public, the juries and the courts who set the rates,—not the insurance companies.

"Remember that insurance rates are controlled by the motorists.

"Better driving can mean fewer accidents, fewer claims and lower insurance costs. Your careful driving will help reduce accidents, and in turn reduce automobile insurance rates.

The pamphlet deals with the situation in Ontario. Here are some of the figures given.

Ontario Comparisons Driving Conditions

	1948	1939	Change % in '48
Drivers	1,206,536	899,572	+34
Vehicles	892,479	682,891	+28
U. S. cars visit.	1,125,956	779,302	+44
Miles travelled	*7½	*5	+50

*Billions.

Accident Statistics

	1948	1947
Accidents	27,407	13,710
Deaths	740	652
Injuries	14,970	11,638
Property damage	$7,140,281	$1,860,264
Cost per accident ...	$260	$136

Accidents Cost More

Because:

Repairs bills up	100%
Car & truck prices up	75%
Hospital bills, etc., up	50%
Claims settlements overhead up ..	60%

N. S. L & P Plans New Stock Issue

MONTREAL (Staff)—Approval of N. S. Public Utilities Board of a $4,250,000 stock issue has been asked by N. S. Light & Power Co. It reported operating profit of $1,854,000. Proceeds from issue would provide $2,750,000 for additions and net improvements and $1.5 millions to purchase stock from subsidiaries which have been making similar investments in plant and equipment, it is stated.

Biggest single expenditure reported was $1.4 millions to buy 65 trolley buses to replace its old cars on Halifax street transport system.

Life Insurance Benefits During 1948 Show "You Don't Have to Die to Win"

The saying "You don't have to die to win" gained support as far as life insurance business is concerned by the figures of life insurance payments in 1948, released by the Canadian Life Insurance Officers Association. These show that of $196.1 millions paid out to living policyholders and beneficiaries in 1948 under policy contracts, 61% was paid to the former.

The figures are based on data supplied by companies doing more than 95% of the life insurance business in Canada. They establish a new high and show an increase of 8% in the aggregate over 1947 and are 40% higher than 1943. Total payments to living policyholders were over $120.1 millions.

They include:

Type of Payment	$000
Matured endowments ..	$31,696
Disability benefits	3,615
Annuity payments	6,139
Cash surrenders	43,163
Policy dividends	35,489

The cash values taken where the policy was surrendered to the company for cash were chiefly for emergency purposes.

About 59,500 endowment policies matured during the year, made up of 15,250 ordinary and 44,250 industrial contracts.

Death Benefits at New High

Benefits paid in cases of death including accidental death reached a new high at $76 millions, due to the larger amount of insurance in force rather than any increase in mortality.

Of the total mortality benefits paid, $58.1 millions was under 25,373 ordinary policies, $7.5 millions being under 31,134 industrial policies and $10.3 millions under 7,170 group certificates.

The previous high level in policy payments was reached in 1933 when the total paid by Dominion licensed companies reached $186.6 millions, and surrender values were $91.2 millions. In 1933 the large volume of cash surrenders was admittedly due to the need of ready cash during the depression.

In 1948, however, the amount of the policies surrendered was probably due to other causes, such as need of cash for purchase of a house.

On a daily basis Canadian families received $535,925 from one or more of the 50-odd British, Canadian and United States companies operating in Canada on each of the 366 days during the year, the Association calculates.

Number of Policyholders

At the end of 1948, there were approximately 8.5 millions of policies in force, representing probably 4.5 million policyholders. The exact numbers cannot be given because many policyholders have more than one policy. Moreover industrial policies are usually of relatively small proportions. It has however, been estimated that about one person in every three in Canada is insured. With approximately $13 billions of insurance in force, the per capita amount in force is over $1,000; for a family of three about $3,500 which, while not enough to give social security on a permanent basis, is a big protection against want.

In some quarters it is stated that these figures indicate that Canadians as a people, while better insured than citizens of any other country except the United States, are still greatly underinsured in comparison with the need.

Accordingly the outlook for the life insurance business is for continued large sales in 1948, executives claim.

Staff Changes

The Bank of Montreal announces the following staff changes:

D. V. GILMOUR, Manager, Carstairs, Alta., to be manager, Camrose, Alta.

D. E. RUSLER, manager, Carbon, Alta., to be manager, Carstairs.

• • •

Barclays Bank (Canada), announces the following staff change:

FRANK E. UDELL, to be manager, Toronto branch.

• • •

The Bank of Nova Scotia announces the following staff changes:

D. F. BENNETT, to be manager, Red Lake, Ont.

J. MAIR, to be manager, Vauxhall, Alta.

E. R. VAN BLARCOM, to be accountant, Sudbury, Ont.

A. K. DIXON, to be assistant accountant, Winnipeg.

N. R. BUXTON, to be assistant accountant, Winnipeg.

• • •

The Dominion Bank announces the following staff changes:

F. J. ROSS, formerly an assistant manager, St. Lawrence Blvd., Montreal, appointed manager, Rouyn, Que.

G. G. O'KELLY, formerly accountant, St. Lawrence Blvd., Montreal, appointed an assistant manager, that branch.

K. E. KENNEDY, to be accountant, St. Lawrence Blvd., Montreal.

• • •

Canadian Bank of Commerce announces these staff changes:

W. T. ALEXANDER, senior agent, New York, to be an asst. general manager at head office, Toronto.

W. M. BLACKSTOCK, superintendent, Halifax, to be superintendent in the Department of the Superintendent of Manitoba and Saskatchewan branches at Winnipeg.

C. J. LOUGHLIN, manager at Halifax, to be superintendent in the Department of the Superintendent of Maritime and Newfoundland branches, at Halifax.

J. POGUE, an asst. manager, Toronto, to be vice-president, Canadian Bank of Commerce (California), Los Angeles, Cal.

E. H. MITCHELL, vice-president, Canadian Bank of Commerce (California), Los Angeles, Calif., to be senior agent, New York, N.Y.

T. A. PUGSLEY, manager, City Hall, Toronto, to be manager, Halifax.

T. F. SYER, accountant, White Horse, Yukon T., to be manager, Lillooet, B.C.

A. A. TAYLOR, accountant, Waterloo, Que., appointed manager of newly opened branch at Namur & St. Clare, Mount Royal, Que.

A. M. H. HODGINS, an asst. accountant, Victoria, to be manager, Qualicum Beach, B.C., former sub-agency, now operating as independent branch.

F. G. N. SMITH, asst. manager, Queen & University, Toronto, to be manager, Adelaide & Peter, Toronto.

J. G. PATERSON, manager, Queen & Spadina, Toronto, to be manager, City Hall, Toronto.

A. G. S. McElwain, manager, Spadina & College, Toronto, to be manager, Queen & Spadina, Toronto.

C. R. CORSON, accountant, Hamilton, Ont., to be asst. manager, Queen & University, Toronto.

N. G. BISSELL, Manager, Adelaide & Peter, Toronto, to be manager, Spadina & College, Toronto.

W. T. McNEIL, an asst. inspector, head office, to be asst. manager, Windsor, Ont.

• • •

Royal Bank of Canada announces these staff changes,

H. A. MASSON, manager, Wawanesa, Man., to be manager, Dryden, Ont.

P. J. BOUDREAU, asst. manager, St. Denis & St. Catherine, Montreal, to be manager, St. Hubert St., Montreal.

W. L. GODIN, manager, St. Hubert St., Montreal, to be manager, St. Boniface, Man.

J. H. MELANSON, Upper Town, Quebec, to be accountant, Sherbrooke, Que.

J. P. GIGUERE, St. Hyacinthe, Que., to be accountant, La Salle, Que.

W. S. SEEBER, Somerset & Booth, Ottawa, retires.

MAILMAN CORP. advises 325 more shares of preferred stock have been purchased for redemption and cancellation, leaving 17,764 outstanding. Balance of 670 shares of British Rubber Co. have not as yet been exchanged into Mailman shares.

ROYAL BANK OF SCOTLAND
(Incorporated by Royal Charter 1727)
Head Office: EDINBURGH
Branches throughout Scotland
LONDON OFFICES:
3 Bishopsgate, E.C.2
8 West Smithfield, E.C.1
49 Charing Cross, S.W.1
Burlington Gardens, W.1
64 New Bond Street, W.1
Complete Banking Facilities
Associated Banks
Glyn Mills & Co.
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Home Assurance Assets Under One Liquidator

Alberta Court Also Rules That Deposits Of Quebec And Five Western Provinces Be Kept Separate—Claims Made on Shareholders

From Our Own Correspondent

CALGARY — Canadian assets of the Home Assurance Co. of Canada will be administered by one liquidator under the federal Winding Up Act, Mr. Justice Hugh J. MacDonald ruled in a supreme court judgment here.

Deposits placed by the company with the provincial secretaries of Alberta and Quebec will be transferred to the liquidator and Alberta deposit will be available only to creditors in Alberta, British Columbia, Saskatchewan, Manitoba and Ontario.

The Quebec deposit will be available only to Quebec creditors, the judgment stated.

Home Assurance Co. of Canada (No connection with Home Insurance Co. of N.Y.) went into liquidation last July when it did not have sufficient capital to carry on its increased business. A. G. Burton, Calgary, was appointed liquidator under the federal Winding-up Act.

At time of liquidation, the company had liabilities of about $725,000 against which there were total deposits of $335,000 held by the governments of Alberta and Quebec. The Alberta deposit amounted to $285,000 for the protection of policyholders in the five western provinces while the Quebec deposit amounted to $50,000 for protection of Quebec policyholders only. Claims in Alberta, B.C., Sask., Man., and Ont. totaled $350,000 while Quebec claims approximated $375,000.

Appearing before Mr. Justice H. J. Macdonald in the Alberta Supreme Court, on behalf of Burton some weeks ago, W. A. McGillivray asked an order directing that funds on deposit in Alberta and Quebec be transferred to Burton the liquidator. He asked further direction as to disposal of funds, insofar as whether Alberta deposits should be used solely for policyholders in B.C., Alberta, Saskatchewan Manitoba and Ontario and the Quebec deposit be used exclusively for Quebec policyholders, or whether the two deposits should be pooled and distributed to all policyholders.

If the two deposits were administered separately, McGillivray said, the policy loss claims from the five western provinces, amounting to about $200,000 could be paid in full and "a high percentage of the unearned premiums" amounting to about $150,000 would be returned to policyholders. The Quebec policyholders would not be so fortunate, for their loss claims were about $225,000 and unearned premiums $150,000.

Representing Commercial Adjustment and Safety Service of Montreal, W. B. Cromarty, said he intended to argue that both Alberta and Quebec deposits should be placed together and divided among all policyholders under terms of the Dominion Winding Up Act.

Question of Jurisdiction

Appearing for superintendents of insurance for the five western provinces, C. S. Blanchard, said the Privy Council had held that provinces had exclusive jurisdiction to legislate how insurance companies should carry on business and that the Dominion Parliament could not interfere. The Dominion only had power to regulate companies registered under Dominion law and that did not apply to provincial companies unless they applied for Dominion registration, which Home of Canada had not done. Thus the old question of insurance jurisdiction had been introduced into the case.

Blanchard argued the two deposits should be administered separately for the benefit of policyholders. He stressed that Quebec had named an official receiver to administer the deposit held in Quebec.

Claim on Shareholders?

In a later move A. G. Burton, Calgary, liquidator appointed by the crown, filed claims totaling $375,177 against 210 shareholders of the company for the balance owing on company stock. The application was filed in supreme court chambers before Mr. Justice H. J. Macdonald.

Shareholders of the Home Assurance Company are scattered all across Canada and some are residing in the U. S.

Each shareholder will have an opportunity to raise a defense against the individual claims and it is expected that proceedings will continue for some weeks before the "declared list" is approved by the court.

Five of the company's shareholders allege there had been misrepresentation when the shares were purchased in 1924. At that time the shares had a par value of $100 and the five paid $10 per share and "were given to understand that was all they would have to pay."

H. S. Patterson, K.C., was appointed by the court to represent the ordinary shareholders to raise a general defense.

PAN WESTERN OILS LTD. advises option on 500,000 shares at 30c a share under agreement with Owen Investors Ltd. has been canceled. Owen Investors has optioned instead 600,000 shares at 20-30c a share.

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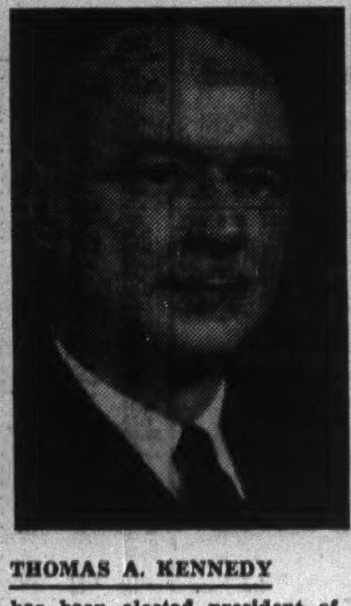

THOMAS A. KENNEDY

has been elected president of Employees Welfare Service Fund of Greater Toronto.

BANK OF CANADA

Liabilities	Feb. 23 1949 $	Feb. 16 1949 $
Capital paid-up	5,000,000	5,000,000
Rest fund	10,050,367	10,050,367
Notes in circ.	1,220,315,682	1,222,032,265
Deposits: Dom.	180,906,396	153,078,632
Chart. banks	513,368,504	537,846,885
Other	79,671,782	78,698,309
Total deposits	773,946,682	769,619,826
Liabs. payable in sterling, U.S.A. and for'n gold currencies:		
Deposits	519,636	519,636
All other liabs.	9,309,407	8,182,292
Total liabs.	2,019,141,774	2,015,404,886
Assets		
Sterling & for'n exchange	519,636	519,636
Other currencies	73,914	82,533
Total	593,550	602,169
Subsid coin	135,,863	147,332
Investments:		
Dom. gov't sh.	1,174,442,038	1,157,680,833
Oth. Dom. gov't	798,975,665	800,281,526
Total invest.	1,973,417,703	1,957,962,359
Total share cap. at cost	25,000,000	25,000,000
Premises	2,561,520	2,561,521
All other assets	17,433,138	29,131,505
Total assets	2,019,141,774	2,015,404,886

Sask. Increases Rates For Motor Insurance

New Schedule For Private Passenger Cars and Trucks Announced – Later Models More Expensive–Fire and Theft Cover Made Available

From Our Own Correspondent

REGINA — The Saskatchewan government's compulsory Automobile Accident Insurance Act has been extended to provide protection against fire and theft. The bill was introduced in the House by Provincial Treasurer C. M. Fines.

The insurance act will provide a six-point coverage:

1. Accident insurance, limit $10,000.

2. Public liability insurance, limit $5,000 for one person, $10,000 one accident.

3. Collision to actual cash value with varying deductibles beginning with $100 on private passenger cars.

4. Property damage insurance, limit $1,000 (with $100 deductible in Saskatchewan only).

5. Fire, to actual cash value with same deductible as collision.

6. Theft, to actual cash value with same deductible as collision.

A new schedule of insurance premiums was also announced by Mr. Fines. In the past the rate has been $4.50 for cars with a wheelbase not exceeding 111 inches, and $6 for cars with a longer wheelbase.

$10 Minimum on New Cars

Owners of private passenger cars which were built later than 1942 will now pay $10. Cars manufactured from 1937 to 1942 inclusive will be assessed $8; from 1933 to 1936 inclusive, $6 and prior to and including 1932, $4.50.

Rates on farm trucks are up slightly as are commercial trucks. Other increases apply to certain classes of trucks, tank trucks, buses, and motorcycles.

Highway Buses

Highway buses with a capacity of 25 people and built later than 1945 will now pay $467 where the rate was formerly $400. City buses in the same category will pay $367 compared to the former $300. The fire and theft coverage on such vehicles carries a $500 deductible.

Mr. Fines said the increased rates were necessary because later model cars were more expensive to repair, and it was found that there was insufficient differential in the premium between the old $4.50 and $6 rates.

COMPANY REPORTS

DOMINION LIFE ASSURANCE CO reports $371.2 millions insurance in force at the end of 1948, a gain of $38.9 millions. New insurance paid for in 1948 including revivals and increases amounted to $58.9 millions. Total income was $15.4 millions, including $10.3 millions from premiums and $2.8 millions from rents and dividends. Income from other sources amounted to $2.3 millions. Total income exceeded disbursements by $6.3 millions.

Payments to policyholders and beneficiaries of policyholders who died, were $4.9 millions.

Assets on Dec. 31 rose $6.4 millions to $84.8 millions.

Assurance and annuity reserves increased by $5.4 millions to $69.2 millions at the end of the year. These reserves, President Ford S. Kumpf stated exceed government requirements. Free surplus was increased to $2.6 millions.

	1948	1947
Insur. in force	$371,262,341	$332,297,509
New insurance	58,951,108	46,617,286
Total income	15,466,813	14,117,452
Premiums	10,333,637	9,271,900
Int., divds., etc.	2,803,946	2,541,166
Policy payments	4,921,832	4,553,038
Liabs. to p'holders incl. act'rial res.	80,201,165	74,069,139
Other liabs.	1,554,083	1,406,592
Liabs. to sh'hldrs	440,362	403,616
Surplus	2,665,437	2,506,713
Total assets	84,861,047	78,386,060
Int. earned	???	???

CANADIAN FIRE INSURANCE CO. at its 54th annual meeting reported gross premium income of $3.4 millions in 1948, up $423,506 or 14% over 1947, and a new high. After deducting reinsurance, net premium income was $2.3 millions, up 13.5%. After deductions for increase in unearned premium reserve, losses and adjustment expenses, general expenses, government and municipal taxes paid and provided for, directors' fees, etc., the balance carried to general revenue account was $79,223. Investment income was $116,554. Income taxes took $27,340, dividends $80,000, depreciation $1,500 and payment to employees' pension fund $662. Total balance at credit of profit and loss was $1,162,171. Loss ratio on an earned basis was 46.3%.

	1948	1947
Net prem. income	$2,325,193	$2,047,307
Losses & adjust. exp.	1,000,000	896,733
General expenses	986,520	914,214
Inc. in unearned prem. res.	166,849	209,700
Taxes	69,018	64,977
Divds. to sh'holders	80,000	80,000
Liabs. to public incl. unearned prem. res.	2,171,592	1,868,788
Sp. reserves	665,468	589,284
Liabs. to sh'holders	1,040,000	1,040,000
Surplus	1,162,172	1,075,895
Total assets	5,039,232	4,573,968
Policyholders surplus	2,162,171	2,075,894
Loss ratio	46.3%	48.8%

PROVINCE OF QUEBEC new issue of $35 million 3% sinking fund debentures, to be dated March 15, 1949, and to mature March 15, 1963/65, has been sold at $99.50 to yield 3.04% by large syndicate headed by A. E. Ames & Co. Issue will carry annual sinking fund equal to at least 1% of outstanding debentures.

Proceeds will be used to make up for part of difference between revenues paid into Quebec consolidated revenue fund and expenses charged thereto, including advances to Quebec Farm Credit and Rural Electrification bureaus.

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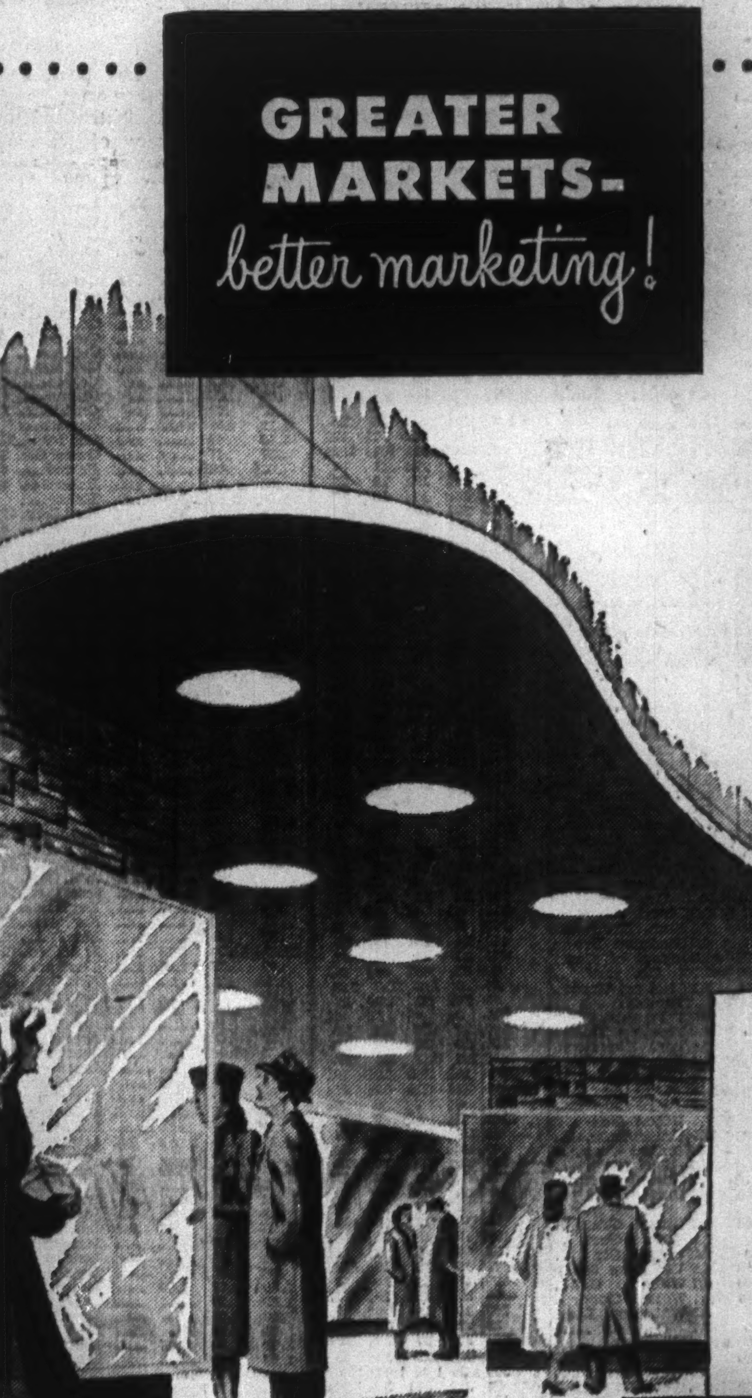
ANNANDALE COURT APARTMENTS (known as New Annandale Apartments) shows total receipts for 1948 of $28,749, operating expenses of $16,294 and other expenses, including mortgage interest and $2,500 mortgage principal, totaling $8,586. Credit balance was $3,411 at Dec. 31, 1948.

"We may be faced with a further expenditure of approximately $5,000 for the installation of a new roof this spring," Canada Trust Co. reports.

TODAY WE LIVE IN A GREATER CANADA



The stores of Canada tell the story.

Smart new fronts and clean, bright interiors; up-to-the-minute facilities for faster, easier, more convenient shopping; modern displays and smartly packaged products: all are the visible symbols of Canada's modern merchandising progress.

Canadian distribution methods are more effective, more efficient than ever. Recent advances in marketing have been as remarkable as those in this country's record-breaking production and the development of natural resources.

The whole vast field of merchandising today presents new and greater opportunities for successful Canadian careers.

"Imagination in business knows no geographical boundaries.

In this young and vigorous nation originality, based on sound thinking, pays off. To the young Canadian who is willing to raise his sights above the conventional, and work hard to make his vision come true, no country today offers greater opportunities for success than our own", says Hedleigh Venning.

HEDLEIGH VENNING

began his career as a junior salesman in 1926. From the beginning, he became aware of the opportunity awaiting the application of imagination and creative thinking to any job. A keen student of modern packaging, an enthusiastic and energetic worker, he is now vice-president in charge of sales of Shirriff's Limited, one of Canada's larger food product companies; a great believer in scientific marketing and a leader in the field of selling and advertising.

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THE WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING FEBRUARY 25

Range 1948-49 High	Low	Div R'te $	Feb25 Y'ld %		Sales	Last Feb. 18	Week end. Feb. 25 H	L	Cl'se
19¾	12½	■.25	...	Abitibi, new ..	1015	15	15½	14¾	14½
21½	17½	1.50	7.7	Do. $1.50 pf..	2106	19¾	20	19½	19½
39	35½	2.50	6.6	Do. $2.50 p n	50	38½	38	38	38
25	18½	1.00	4.4	Acadia Atlan A	810	23¾	23½	22¾	23
103	97	5.00	4.9	Do. 5% p. ..	40	104	101½	100½	101½
13	9	■.25	...	Acme Glove ..	200	10½	10½	10½	10½
10	7½	.60	7.0	Agnew Surp...	390	9	8¾	8¾	8¾
50½	33½	...	..	Algoma Steel .	715	47½	48	45½	46
26½	24	1.00	3.9	Alum of Can p	2880	25¾	26	25¾	25¾
65½	43	2.00+†.75		Aluminium N .	2210	56	55½	54	54
13½	8	●	...	Amal. Electric.	25	8½	8	8	8
49	44	2.25	5.1	Ang Can Tel p	90	44¾	44½	44½	44½
23¾	15	†1.00	..	Ang. Nfld.	100	17¾	18	18	18
7¾	5½	.60	10.0	Argus	1340	6	6½	6	6
83	65	4.50	6.3	Do. 4½% pref.	80	73	75	71	71
30	23	1.20+†.55		Asbestos	8736	24½	24½	23	23½
14¾	11	.60	5.5	Ashdown Hdwe	176	11	11¾	11	11
13½	10	1.00	9.1	Atlas Steels ..	2160	11½	11½	11	11
5¾	4	.40	7.7	Auto Fabric B	3655	5½	5¼	5¼	5¼
21½	20	.80	4.0	Bk. Can. Nat...	545	20½	20	20	20
30	25	.80+■.20		Bk Montreal .	865	25¾	25¾	25½	25¾
38	33	1.20+■.20		Bk. N. Scotia	1215	35½	35½	34½	35
38½	32	1.20+■.20		Bk. Toronto ..	725	36¾	36	35¾	36
17	15	1.00+†.10		Bates & Innes.	100	15	16	16	16
23	17	1.50+■.75		Bathurst Pr. A	1538	20	20½	19½	20½
7	3½	■.25	..	Do. (B)	105	5	5	4¾	4¾
46	35¾	3.00	6.7	Beatty Bros. ..	335	45	45	45	45
25½	18½	†1.00	..	Beaver Lumber	82	22½	22	22	22
12	7½	.60	6.3	Belgium Glove	220	9¾	9¾	9½	9½
17½	16	1.00	5.7	Do. pref.	40	17½	17½	17½	17½
44	32¾	2.00	5.1	Bell Telephone	16425	39	39½	39	39
1.27	1.10	.	...	Do. Rights ..	47013	1.17	1.27	1.15	1.27
19½	17	1.00	5.8	Bertram Son A	25	17¾	17¼	17¼	17¼
7	4½	.30+.05		Do. (B)	100	7	6½	6½	6½
12	10½	.	...	Blue Ribbon ..	600	12	11¾	11¾	11¾
55	50	2.50	5.0	Do. pref.	50	50	50½	50½	50½
1.25	.20	.	...	Brand & Mill.	35775	1.00	1.20	.95	1.00
26½	25	1.30	5.2	Brant. Cord. pf	330	25	25	25	25
18	17	■.50	...	Brant. Roof. ..	100	17½	18	18	18
22½	17	2.00	10.8	Brazilian Tr. ..	7231	18¾	18¾	18½	18½
16½	12½	.60+■.30		Brew & Distil.	80	14¾	15½	15	15½
23¾	20	1.00	4.4	Brit. Amer. Oil	2023	23½	23¾	22½	22½
27½	23¾	.93¾	2.8	Do. pfd., new	1275	24¾	25	24¾	24¾
99	86½	4.00	4.5	B.C. Elec 4% p	36	89	89	88½	89
4¾	2½	.20	11.1	B.C. Forest ...	4745	2¾	2¾	2¾	2¾
14¾	10½	.75	6.5	B.C. Packers A	80	11	11½	11½	11½
8¾	3¾	■.25	...	Do. (B)	335	6	6	6	6
27½	24¾	1.60	6.4	B.C. Power A.	487	25¾	25½	24¾	25
3½	1½	.	...	Do. (B)	330	2¾	2¾	2¾	2¾
17½	11½	1.00	6.7	Enam. & Heat	355	15	15	15	15
20	10	.50	4.8	Equitable Life .	8	10¾	10½	10½	10½
23	19	1.04	5.5	T. H. Estab. pf	150	21	19¾	19	19
2.25	.75	.	...	Fairchild Air..	100	.95	.80	.80	.80
18¾	14	1.00	7.1	Fam. Players..	3630	14½	14¾	14	14
47¾	34	▲1.50	..	Fanny Farmer.	525	36½	36½	36	36
9½	3½	.	...	Fed. Grain A..	700	6½	6½	6	6
116	85	‡6.50	..	Do. pref.	20	112	110	109	109
9	7	.	...	Fittings	5	7¾	7¾	7¾	7¾
3.50	1.50	.	...	Fleet Aircraft.	3525	2.00	1.95	1.85	1.85
17	13¾	1.00	6.2	Fleury Bissell p	25	16½	16½	16½	16½
27	20¾	▲1.00	..	Ford Motor A..	3660	21¾	21	20¾	21
27	19	▲1.40	..	Foundation Co.	665	24½	25	24	24½
28½	24	■.62½	..	Fraser Cos. ...	675	25½	25½	24	24

Range 1948-49 High	Low	Div R'te $	Feb25 Y'ld %		Sales	Last Feb. 18	Week end. Feb. 25 H	L	Cl'se
98½	97½	.	...	Do. pref.	200	97½	98	97½	97½
94	84	4.00	4.6	Gair of Can. ..	20	88	90	88	88
20	16	1.20	7.0	Gatineau Pwr..	304	17½	17¾	17½	17½
108	100	5.00	4.7	Do. pref.	65	105¾	106	105½	105½
17½	16	■1.00	..	Gen Products A	50	17	17½	17½	17½
17½	14	.80+†.20		Gen. St. Wares	415	14½	14½	14	14
106½	99	5.00	4.9	Do. pref.	25	101½	102	101½	101½
120	97	†7.50	..	Goodyear Tires	60	98	98	98	98
53½	49	2.00	3.8	Do. pref.	40	52½	53½	52½	52½
57	54½	2.50	4.4	Gord, Belyear .	15	54½	57	57	57
11	10	.50	4.8	Gor MacKay A	50	10	10½	10½	10½
31¾	24	▲.50	...	Walker-Good. .	4698	25½	25¾	25½	25½
14	10	.80	8.3	Waterous Ltd..	155	10	10	9½	9½
14½	13	.80	5.7	Do. (A)	35	13	14	13	14
38½	26¾	2.00+‡1.00		Westeel	391	37	37	35½	35½
25	18½	1.60	6.4	West Brew ...	50	23½	25	25	25
1.50	.40		...	West Grain ...	200	1.25	1.00	1.00	1.00
36½	30¾	2.00	6.0	West Grocers A	5	34½	33¾	33¾	33¾
33½	29	1.40	4.4	Do. pref.	175	31¾	32½	32	32½
8.75	8.75	■.12½	..	W'tmin'r P A n	100	..	8.75	8.75	8.75
28	21	1.00	4.8	Weston George	310	22	21¾	21	21
101¾	97	4.50	4.6	Do. 4½% pref	20	97½	97½	97½	97½
12¾	11½	▲.15	...	J. C. Wilson ..	75	12	11½	11½	11½
17	9	.	...	Windsor Hotel.	35	15¾	15¾	15¾	15¾
35¾	20½	1.00	3.7	Winnipeg El. ..	2522	28½	29	27	27½

Montreal and Toronto Winnipeg, Calgary and Vancouver

Range 1948-49 High	Low	Div R'te $	Feb25 Y'ld %		Sales	Last Feb. 18	Week end. Feb. 25 H	L	Cl'se
100	92	5.00	5.1	Do. pref.	26	98½	98½	98½	98½
54	30	2.00	6.7	Woods Mfg pf..	10	32	30	30	30
8½	6	.40	6.2	York Knit. A n	30	6½	6½	6½	6½
4½	2½	.	...	Do. B new ..	220	2¾	2¾	2¾	2¾
45	34½	2.00	5.0	Zellers	350	40½	40½	40	40
27½	24¾	1.25	4.9	Do. 5% pref..	55	25½	25½	25½	25½
29	27½	1.50	5.4	Do. 6% pref..	50	28	28	28	28

*On arrears. ▲N. Y. funds. †Paid in 1948.
§Net after income taxes. ●Dividend deferred.
▲▲For each 20 shares held.
††Plus special dividends of $70 per sh. on 1927 issue and approx. $2.10 per share on 1939 issue.
♦After stock split. ■Paid or payable in 1949.
▲Plus extras. ‡Plus payments on arrears.

Mining Stocks

Week Ended February 25

Range 1948-49 High	Low	Div. Rate $	Feb. 25 Yield %	Company	Sales	Last Feb. 18	Week Ending Feb. 25 High	Low	Close
.90	.55	.....	....	Akaitcho...	3,600	.75	.75	.70	.70
.38	.08½	.....	....	Amal. Lard.	1,500	.17	.16½	.15	.16½
.20	.08	.....	....	Amer. Y.K.	13,000	.12½	.14	.12	.13½
.68	.30	.....	....	Anacon L'd.	33,000	.48	.48	.36	.36
10.75	8.25	.20	2.2	Anglo-Hur..	1,700	9.25	9.25	9.25	9.25
1.50	.29	.....	....	Louvicourt	100,400	.37½	.37½	.29	.29
.20	.09½	.....	....	Lunward...	500	.13	.13	.13	.13
.25	.08	.....	....	Lynx Y.K. .	7,500	.13½	.14	.12½	.13
3.00	1.80	§.06	....	Macassa....	3,550	2.30	2.35	2.20	2.25
1.95	.40	.....	....	MacDonald	20,950	.49	.50	.48	.50
.15	.06	.....	....	Macfie.....	30,500	.09½	.11	.09½	.09½
.40	.25	.....	....	Macho R...	5,600	.28	.29	.27	.27
1.54	.73	.....	....	MacLeod...	14,110	1.06	1.07	1.01	1.01
3.15	2.10	.08	3.0	Mad. R.L. .	3,900	2.71	2.77	2.65	2.65
.40	.12½	.....	....	Magnet....	3,500	.22	.21	.20	.21
2.35	1.48	.....	....	Malartic G.	11,105	2.23	2.25	2.06	2.06
.06½	.02	.....	....	Man. & East	12,000	.04	.03	.03	.03
.31	.05	.....	....	Marcus Gold	2,300	.13½	.13	.13	.13
.06	.03	.....	....	Martin McN.	1,000	.04½	.05	.05	.05

Oil Stocks

Range 1948-49 High	Low	Div. Rate $	Feb. 25 Yield %	Company	Sales	Last Feb. 18	Week Ending Feb. 25 High	Low	Close
.15	.05	.....	....	Share Roy..	27,189	.11	.11	.09½	.10
.24	.10	.....	....	So. Brazeau	16,500	.19½	.19	.17	.17
.70	.21	.....	....	So. West Pete	600	.30	.30½	.30	.30½
.52	.12	.....	....	Spooner.....	3,010	.21	.23	.20	.22
.19½	.08	†.01½	....	Sunset.....	19,500	.17	.19	.17½	.18
.58	.22	.....	....	Superior...	53,250	.46	.46½	.42	.46
.18	.06	.....	....	United Oils.	6,720	.15	.14	.12	.14
.30	.12	.....	....	Vanalta....	500	.22	.21	.21	.21
.39	.20	.....	....	Vulcan......	1,000	.23½	.24	.24	.24
.22	.05	.....	....	Warner....	3,500	.15	.12½	.10	.10½
.10	.03½	.....	....	York Oils..	4,500	.08	.08	.08	.08

* N. Y. Funds. x Extra. ‡ Paid in 1946. § Paid in 1947.
† Paid in 1948. ■ Paid or payable in 1949.

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
Feb. 28 ...	133,500	647,000	244,658	128,930	890,000
Feb. 26 ...	110,000	450,000	126,200	60,334	460,000
Feb. 25 ...	176,400	1,157,000	299,225	113,802	1,010,000
Feb. 24 ...	236,300	885,000	320,495	121,683	1,100,000
Feb. 23 ...	204,800	905,000	309,290	60,851	980,000
Feb. 22 ...	115,200	532,000	365,115	54,265	....

BUSINESS BAROMETER

	JAN.	DEC.	NOV.	OCT.	Year Ago
GOVERNMENT FINANCE (millions of $)					
Dom. total revenue	....	220.2	205.6	215.5	223.7
Dom. total expend.	....	170.3	179.3	151.6	162.6
MERCHANDISING					
Dept. store sales index no. (3)	+8	+18	+11	+23.4	....
Retail store sales index no. (1)	....	....	....	290.6	253.9
Country store index no. (1)	....	....	233.2	245.5	....
Wholesale sales index (no.)	....	283.2	316.2	321.9	251.1
FINANCE					
Dividend payment index (5)	215.9	211.8	203.6	204.3	192.9
Money supply (millions $)	....	4,335	4,327	4,208	4,335
NEWSPRINT CAPACITY					
Production ratio	102.2	102.4	105.5	106.1	98.6
Shipment ratio	99.5	107.9	107.7	104.2	92.1
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.)	201.2	197.2	166.5	163.2	205.2
Cars (D.B.S.)	162.1	166.3	158.9	147.2	172.3
COST OF LIVING					
D.B.S.	159.6	158.9	159.6	159.6	148.3
EMPLOYMENT INDEX					
All industries	....	204.1	203.6	203.3	199.6
Manufacturing	....	208.0	208.2	210.0	205.1
Payrolls (June 1/41=100) (2)	....	217.7	216.9	214.7	193.2

	1948-49	1947-48	1948-49 Jan. 1 to date	1947-48	% Change
RAILWAYS—(000's omitted)					
■Carloadings (week Feb. 19)	70.4	68.8	500.7	504.8	−0.8
C.N.R. gross rev. (Jan.)	37,309	34,002	37,309	34,002	+9.7
C.N.R. net rev. (Jan.)	−1,488	−561	−1,488	−561	−165.2
C.P.R. gross rev. (Dec.)	31,077	28,605	355,250	318,586	+11.5
C.P.R. net rev. (Dec.)	1,833	2,923	18,419	22,892	−19.5
IRON AND STEEL PRODUCTION (000's omitted) (Dec.)					
Pig iron production (tons)	174	166	2,121	1,970	+7.7
Steel production (tons)	280	250	3,202	2,945	+8.8
CONSTRUCTION (000's omitted)					
Contracts awarded (Jan.)	72,792	34,153	72,792	34,153	+113.1
Cement prod., bbls. (Dec.)	1,054	1,067	14,007	12,219	+14.6
AGRICULTURE (000's omitted)					
■Flour prod., bbls. (Jan.)	1,468	1,901	1,468	1,901	−22.8
Flour exp., bbls. (Jan.)	1,004	991	1,004	991	+1.3
Wheat exp. bush. (Jan.)	13,825	11,501	13,825	11,501	+20.2
Cattle sales (Dec.) (4)	146.5	200.0	1895.3	1,581.5	+19.8
Hog sales (Dec.) (4)	445.1	613.5	4,767.9	4,756.0	+0.2
SEA FISHERIES (000,000's omitted)					
■Catch, lb. (Jan.	37.1	110.3	37.1	110.3	−66.4
■Landed value (Jan.)	1.5	2.4	1.5	2.4	−37.5
NEWSPRINT (000's omitted)					
Production (Jan.)	386	372	386	372	+3.8
Exports, tons (Jan.)	376	347	376	347	+8.3
MINING AND OILS (000's omitted)					
Coal prod. (tons) (Jan.)	1,828	1,396	1,828	1,396	+30.8
■Gold prod. (fine oz.) (Dec.)	327	275	3,528	3,070	+14.2
■Petroleum prod. (brl.) (Dec.)	1,248	766	12,368	7,729	+60.2
ELECTRICAL POWER OUTPUT (000,000's omitted) (Dec.)					
Total monthly kwh	3,695	3,730	44,569	44,986	−0.9
FOREIGN TRADE (millions of $)					
Imports (Dec.)	232.0	194.2	2,636.9	2,573.9	+2.4
■Exports (Jan.)	237.0	235.4	237.0	235.4	+0.6
FINANCE (millions of $)					
Bank debits (Dec.)	7,800	6,811	80,687	74,498	+8.1
Bond sales (Jan.)	168.8	162.7	169.8	162.7	+3.8
Life insurance sales (Dec.)	113.3	101.1	1,195.6	1,203.5	−0.3
OTHER INDUSTRIAL FACTORS (000's omitted)					
■Shoe prod. (Dec.)	2,784	2,548	32,407	35,574	−8.9
Cigarette cons. (no.) (Jan.)	1,262	1,338	1,262	1,338	−5.7

(1) Base period 1935-39=100.
(2) All industries.
(3) % change from year ago; latest week or monthly average.
(4) Total at yards and plants.
(5) Nesbitt Thomson, etc.
■Net items for week.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 8	Milling 4	Oils 4	Textiles and clothing 9	Food and allied prod. 13	Beverages 8	Bldg. mater. 16	Power and traction 14	Banks 8	Total utilities 16	Total c's 100
*1935 to date:												
High	247.7	287.9	149.7	123.7	221.9	138.5	447.0	168.5	146.2	136.3	149.6	125.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.3	61.1
1948: Monthly Figures:												
Jan.	189.8	216.9	113.8	70.5	188.4	117.6	312.6	122.6	101.4	132.5	112.9	107.5
Feb.	179.7	242.7	105.5	65.8	185.3	111.8	294.1	122.5	95.2	129.7	110.1	102.2
Mar.	189.5	243.7	104.9	65.2	186.6	109.6	289.7	121.4	98.4	127.8	107.4	101.5
Apr.	209.1	256.5	109.5	70.1	197.3	115.2	312.6	132.0	102.5	127.7	116.5	109.1
May	228.0	274.1	113.1	76.6	215.7	114.0	331.8	142.4	107.8	128.4	127.8	118.5
June	247.7	279.8	111.7	79.5	220.2	115.9	334.2	144.1	108.7	128.5	132.2	120.3
July	234.9	275.9	111.2	75.1	221.9	115.5	315.3	139.5	106.6	127.8	126.2	116.3
Aug.	234.8	272.2	108.3	72.8	214.8	113.2	300.3	137.1	106.7	127.9	123.2	113.6
Sept.	231.3	269.4	107.9	74.9	211.5	111.0	297.6	136.7	105.7	128.3	121.8	113.4
Oct.	234.6	266.9	103.5	78.4	212.9	112.8	305.7	139.6	108.8	128.4	123.2	116.4
Nov.	233.5	267.6	100.3	79.6	217.8	116.6	315.4	140.9	107.8	132.6	121.3	117.6
Dec.	232.2	256.9	98.8	78.9	217.8	114.1	302.8	139.6	106.9	132.4	120.2	113.8
1949: Weekly Figures:												
Jan. 6 ..	238.3	258.3	98.9	78.2	213.6	115.1	302.3	142.0	109.1	133.6	122.6	116.3
Jan. 13 ..	235.0	258.1	97.5	76.7	214.1	115.8	298.6	142.7	108.5	133.0	119.4	114.9
Jan. 20 ..	231.7	257.6	94.1	76.2	216.6	115.4	292.6	142.7	107.4	131.7	118.5	113.8
Jan. 27 ..	231.2	254.3	94.9	72.5	212.7	114.5	286.3	114.5	107.6	131.9	117.8	112.9
Feb. 3 ..	228.8	249.8	92.6	70.8	206.4	114.2	287.0	142.4	107.1	130.8	117.2	110.5
Feb. 10 ..	225.3	246.7	90.4	68.7	200.6	114.0	281.7	140.5	106.7	131.7	115.4	108.5
Feb. 17 ..	222.3	241.1	88.7	68.1	201.7	113.2	281.4	139.5	105.1	130.9	116.1	108.0
Feb. 24 ..	213.1	238.7	87.4	67.2	203.5	112.9	275.8	136.4	100.4	130.4	111.6	105.2

*High and low for year from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Feb. 28	168.68	92.33	95.44	47.54
Feb. 26	167.54	92.47	94.95	45.73
Feb. 25	167.70	92.38	95.77	46.07
Feb. 24	168.73	94.54	98.27	48.88
Feb. 23	170.56	94.03	99.74	50.56
Feb. 22	171.70	95.19	100.89	50.60
Month ago ..	177.32	96.57	106.32	55.39
Year ago ...	156.31	102.48	82.87	32.12
1948-49 High.	191.44	104.68	113.93	61.76
1948-49 Low .	149.13	79.16	77.67	28.68

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Com.	10 Pprs.	10 Golds
Feb. 28 ...	70.2	120.8	103.9	296.58	62.93
Feb. 26 ...	70.2	120.2	103.5	292.54	62.82
Feb. 25 ...	70.4	120.1	103.5	293.44	63.65
Feb. 24 ...	70.6	120.8	104.1	301.72	63.90
Feb. 23 ...	70.9	121.4	104.6	303.96	64.03
Feb. 22 ...	71.1	122.2	105.2	309.27	64.96
Month ago	72.2	128.6	109.8	323.24	64.65
Year ago ..	71.2	112.3	98.6	315.85	73.03
1948-49 Hi.	77.7	135.6	116.0	384.80	74.92
1948-49 Lo.	70.2	108.0	95.7	290.26	56.43

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Feb. 28	173.06	47.71	34.56	62.38
Feb. 26	171.62	46.95	34.42	61.80
Feb. 25	171.10	46.34	34.43	61.51
Feb. 24	171.48	46.34	34.53	61.62
Feb. 23	173.24	47.37	34.67	62.35

	30 Indust.	20 Rails	15 Util.	65 Stocks
Feb. 22	.....	....	....	....
Month ago ..	179.12	52.57	34.08	65.15
Year ago	168.14	49.81	31.72	60.96
1948-49 High.	193.16	64.95	36.04	71.85
1948-49 Low.	165.39	48.13	31.65	59.89

STOCKS NOT TRADED THIS WEEK

	Div. rate $	Last sale	Feb. 25 Bid	Ask
Andian Nat.	▲†.35	7½	..	7½
Ang. Nfld.	†1.00	17¾	17¾	19½
Argus warr.	..	.10	.15	.25
Assoc. T. & T. A. .	..	17¾	..	..
Do. pref.	†▲2.38	84	..	..
Ault & Wiborg pf.	5.30	104½	103½	..
Auto Electric	■.10	5¾	5½	5¾
Do. A	.50	7¾	7¾	9½
Auto Fabric A .60+‡.40		9	9	10
Barcelona	..	3¾	2	3
Beaver Lumber A	1.00	19½	19½	20½
Do. pref.	1.40	30	..	30½
Belding Cort. 6.09+■1.00		165	160	..
Do. pref.	7.00	160	160	170
Biltmore Hats .40+■.10		8	..	9
Do. A	1.00	20½	..	19
Blue Top Br. B ..	▲.60	20	25	50
Bowes Co. A	.50	9	9	..
Do. B	†.50	23	22½	26½
Brand, Hender ..	..	12	12	13
Brant. Cord.	.50	8½	..	9
Brazilian Tr, pref.	6.00	116	110	..
Bright, T. G.	1.00	22	21	22
British American Bank Notes	■	13	13	..
B.C. Elec. pf. 4¾%	4.75	100	99¾	100
Caldwell L'n 1st pf	1.50	30	30	32
Can. Bread pf. B	2.50	50	47	49
Can. Cr. Stone ■.15+.10		8½	9	..
Can. Flooring B .	■.15	14	14	..
Can. Forg. B	■1.50	41	..	47½
Can. Iron pref. ..	.60	15	15	..
Can. Machine	.50	6	6	8
Can. Packers A ..	1.50	32½	32½	33½
Can. Safeway pf.	4.50	97½	97½	98½
Can. Starch	..	7½	..	7
Do. pref.	7.00	90	90	..
C. Varnish 5% pf.	1.25	23¾	20	23
Can. Bakeries	■.20	6½	6½	7½
Can. Bronze pref.	5.00	102	100	..
Can. Fairb. .. 1.00+†.25		21½	27½	35½
Can. Fire	.80	19½	19	..
Can. Food Pr. pf.	4.50	77	75	78
Can. G. Sec. A ...	■1.50	50	37½	50
Do. B	■1.50	20	37½	..
Can. Ice Mach. ..	..	5½	5½	7
Do. A	.80	13	13	13½
Can. Ingersoll R. .	6.00	76	76	82
Can. Lt. & Pr. ...	..	27	28	33½
C. Pr. & Pa. In. ..	..	1.50	..	2.00
Can. Tire	1.20	24	19¾	..
Can. Wallpaper A	1.25	15½	15¾	17
Do. B	1.25	16	15	17
Catelli Food pref.	.75	15	15	..
Celtic Knit. .. .30+■.20		7	6	..
Cent. Can. L'n. ..	8.00	210	201	..
Cent. Nor. Air. A	.50	5½	..	6½
Do. B	..	1.75	..	3.00
Chart. Trust	5.00	135	135	..
Cinzano A	4½d	1.25	1.00	..
Do. 5½% pref. ..	5½%	4	4	5
Circle Bar Knit. .	..	9	7	9
Cochrane-Dun. ...	..	7	6	7½
Do. A	.80	13½	13½	14
Do. pref.	1.20	25½	..	25½
Coll Terminal	.25	8	8	10
Do. pref.	.25	8	9	9½
Comm. Alco. pref.	.40	7½	6¾	7½
Cons. Div. Sec. A	..	.35	.35	..
Cons. Fire Co.	..	5	5	..
Cons. Press A	.65	7½	..	8
Do. B	..	2½	2	3
Cons. Textile	■.15	10½	..	11¾
Corr. P. Box	1.50	20	20	21
Do. 5% pref. ...	5.00	97	96	103
Crown Dom. Oil ..	..	11	11	12
Crown Trust	5.00	116½	115	..
Disher Steel pref.				
.... 1.50+*3.37½		20	20	23¾
Dom. Ang. I. 4.00+3.00		95½	110	120
Do. pref.	5.00	95	93¾	104
Dom. Dairies	■.12½	8½	8½	9
Do. pref.	1.75	23	23	25
Dom. Electro	..	2½	3	3½
Dom. Fabrics pf.	3.00	51½	52	53
Dom. Fire	6.00	140	147	..
Dom. Malting ...	1.00	25	25	..
Do. pref.	5.00	100¾	100¾	..
Dom. Scot. Inv. ..	..	4	4	5
Dom. Textile pref.	7.00	166	165	..
Donnell & Mudge.	.80	5	7	8
Do. A	1.00	14½	11½	14
Donohue Bros. ..	1.00	18¾	..	20
East Koot. Pr. ..	..	1.00	1.00	2.00
East. Theat.	■1.00	25	22½	..
Easy Washing	▲1.00	20½	20	..
Economic Inv. ...	†2.50	40	38	43
Esmond Mills	1.00	16	16	18
Federal Fire 2.00+■.25		51¾	..	..
Fibre Products ...	.80	9	9¾	9½
Do. pref.	.50	7½	7½	9
Fittings A	.60	11¾	11½	12
Fleury Bissell	..	6¾	6½	8½
Ford Motor B	▲1.00	27	24½	29
Fo. Pr. Secs.	..	.25	..	.35
Do. pref.	..	3	3½	6
Freiman ...... .50+†.25		9	9	..
Do. pref.	4.50	88	..	88
Gatineau Pwr. 5½% pref.	5.50	110	110	110¾
General Bakeries.	..	1.75	1.50	2.00
Gen. Products B .	■1.00	17½	21	..
Do. pref.	5.00	98½	100	..
Gord. Mackay B .	■.25	22	20	23
Gould Pumps	▲1.00	*65½	..	..
Grafton & Co. A .	1.00	20	19	20
Grand & Toy	.60	13	15½	..
Gt. West Felt	■.60	7	6½	8
Do. pref.	.50	6½	7	8
Gt. West Saddlery	..	10	9½	10
Growers Wine ...	..	1.80	..	..
Guaranty Trust ..	5.00	126	126	130
Hahn Brass ... .60+■.20		10	9¾	10½
Do. pref. ... 1.00+■.20		20	19¾	..
Halifax Insurance	..	10	..	10
Hendershot Pap. .	1.00	12¾	12¾	13½
Do. pref.	5.00	95	..	96
Hillcrest Coll. ...	..	.30	..	.30
Holden Mfg. A ..	.60	9½	9	9¾
Do. B	†.10	5½	5½	5¾
Holt Renfrew	..	45	..	..
Do. pref.	..	100	100	..
Horner, F. W. pf.	.50	8	..	8
Ho. De LaSalle ..	..	14½	14	..
Hubbard Felt	.50	4	3½	..
Do. A pref.	1.50	18	18	..
Humberstone S. ..	1.25	20	..	20
Hunts B	■.10	6½	7½	9
Huron & E. Mt. ..	5%	116	..	116½
Do. 20% pref. ..	5%	22	..	21¾
Imp. Tobac. 6% pf	6%	7½	7½	7½
Imp. Varnish 1.00+†.10		17½	16	17
Do. pref.	1.50	31	31½	..
Ind. Accept. 5% pf	5.00	97	97	99
Inter'c. Coal	■2.00	30½	28	30
Do. pref.	8.00	122	120	..
Inter Bronze	..	7½	7	10
Int. Coal & Co. ...	.03	.33	.25	.40
Int. Mill. pref. ...	▲4.00	105½	..	105¾
Int. Nickel	▲7%	145	145	..
Int. Paints	..	9	9	9¾
Do. pref.	1.20	24¾	24	..
Int. Pap. pref. ...	▲4.00	103½	102	105
Jam. Pub. Ser. ...	1.00	12	12	12½
Do. pref.	7.00	105	105	..
Journal Pub. Ot.	.80	13½	..	15½
Lake of the Woods pref.	7.00	154¾	..	155
Langleys	..	1.50	1.30	2.00
Do. pref.	..	51	..	51
Lawson Jones A .	..	19½	19	19½
Do. B	..	10½	10½	..

Stocks Not Traded This Week (Continued)

	Div. rate $	Last sale	Feb. 25 Bid	Ask
Legare, pref.	*†3.50	25	26	..
Levy Bros.	†.10	4¾	5	..
Lindsay, C. W. ..	..	15	..	15
Do. pref.	*†4.00	113	113	..
Loew's Theatres .	4.00	75	75	..
London Can. Inv.	*5.00	65	60	..
Mackin Steel pref.	5.00	90	90	..
Mailman Corp. pf.	5.00	94½	..	95
Maritime Tele. pf.	.70	17½	17¾	18½
McBrine	1.00	17¾	17½	17¾
McCabe Grain B .	.40	8	7½	8
Melchers pref. ...	.80	12½	..	12½
Mexican Lt. pref.	..	15	..	..
Mid. Pac. Gr.	1.00	17½	16	17¼
Mitchell, J. S. ...	4.00	100	100	..
Mod. Contain.	†.50	13½	12¾	13½
Monarch Mtge. ...	..	6½	6½	8
Mon. Life 30% pd.	12%	105	102	..
Mont. Is. Pr.	..	.20	..	..
Mont. L. & Pr. Notes	..	50	50	..
Mont. Refrig. & S.	†1.25	30	..	..
Do. 1st pref. ...	1.50	29½	29	..
Mont. Telegraph .	†■2.50	52	51	54
Moore Corp. Pf. A	▲7.00	278	260	..
Do. pref. B	▲7.00	429	392½	..
Morrison Brass ..	..	3½	3½	4
Mt. Royal Rice .50+■.10		9	8½	9½
Murphy Paint .80+†.20		21½	20½	..
Nat. Grocers pref.	1.50	28	28	30½
Neon Pr. of W.C.	.80	12	..	..
North Star. & Oil pref. .... .35+.08¾		5¾	5½	5¾
Nor. Trusts	.80	34	..	..
Nuclear Ent.	†4.50	10½	10	10½
Ont. Beauty Sup. pref. ...... 1.00+†.10		13½	12	15
Ontario Loan	5.00	121½	122	..
Ont. Steel pref. ..	7.00	130	126½	..
Ott. L. H. & Pr. pf	5.00	103	101	..
Paton Mfg.	.80	20	20	..
Do. pref.	1.40	28	25½	..
Penmans pref. ...	6.00	146	146	148
People's Cr. Sec. .	.25	5½	6	7
Power Corp. pref.	6.00	109	109½	110
Premier Trust ...	2.00	57	54	60
Quinte Milk A .60+■.10		9	9½	9¾
Regent Knit pref.	1.60	25½	..	26
Reliance Grain ...	■10.00	20	15	75
Do. pref.	4.00	98	..	..
Renfrew Textile .	.60	8	7	7½
River S. Mill B ...	2.00	15	13½	15
Robertson, P. L. .	2.00	40	39¾	42
Do. pref.	2.50	50	48½	..
Robinson Cot. .40+†.10		10	9½	10
Robinson Little ..	†1.00	11½	11½	11¾
Do. A	1.00	15¾	15½	16
Rolland Pap. pref.	4.25	85	..	94
Russell Indust. pf.	7.00	605	..	..
St. Law. Flour pf.	7.00	140	140	..
Sangamo	.50	10	10	10½
Sarnia Br.	▲.80	18½	18½	19
Scythes & Co. .80+■.18		16	16	18½
Do. pref.	1.25	25½	25½	..
Sher. Wms. .. .80+■.20		24	..	24
Shirriff's pref. ...	1.00	20	19½	19½
Silknit	.60	13	12½	13
Do. pref.	2.00	33	33	34½
Simon & Sons pf.	5.00	100	98½	100
Slater N. pref. ...	2.12	49	47	49
Stanley Brock B .	.40	4½	4	5
Sterling Coal	..	10	10	10½
Stovel Press pf. ..	.50	5½	5	6
Stowell A pref. ..	1.50	16½	17	20½
Do. B	..	5	..	..
Stuart, D.A. pf. .80+†.60		20	18¾	20½
Sun Publishing ..	†1.40	17	17½	17½
Sup. Pete. ord. ..	■1.25	47¾	..	47
Do. com.	■1.25	62	..	59½
Do. pref.	1.50	27	26½	..
Tamblyn pref. ...	2.00	52	51	..
Taylor Pearson ..	■.25	4¾	4½	5
Theatre Props. ...	..	3½	..	5
Thrift Stores	1.00	16¾	15	16½
Tip Top Can. A ..	.50	9¾	9¾	10
Tooke Bros.	.40	6	5½	7
Tor. Mortgage ...	5.00	100½	100½	..
Traders Bldg. .80+■.20		19½	19	21
Traders Fin. A ■.25+.25		19	19	20
Do. B ...... ■.25+.25		19	19	20
Do. 4½% pref. ..	4.50	90	89	91
Do. A rights ..	1.00	20	20	22
Do. B rights ..	1.00	20	..	20
Tuckett Tob. P. ..	7.00	162	161	..
Un. Amuse. A 1.00+†.50		37	31	..
Do. A V.T. 1.00+†.50		38	31	35
Viau Ltd.	1.00	24	24	25½
Do. pref.	5.00	101	101	102
Viceroy	.60	10¾	10½	12
West Grain pref. .	..	26¾	26	29
West Grocers	..	23½	23	23½
West Koot. pref. .	7.00	175	..	..
Westm'r Pap. B N.	■.02½	6½	..	7
Willson Stat.	..	10¾	..	11
Do. pref.	4.50	91	90	..
Wilsils	1.00	18½	18	20
Wood, A. & J. P.	‡7.00	120	118	123
Wool. Combing ..	1.00	20	19½	20

▲Plus extras. ■Paid or payable in 1949. *On arrears. †Paid in 1948. ▲N. Y. funds. §Net after income taxes. ▲▲For each 20 shares held. ●Dividend deferred. ♦After stock split. ‡Plus payment on arrears. *New stock.

Mining Stocks

		Last sale	Bid	Ask
Alta.	...	.04	.03	.10
Amer. Neph.	...	.35	.34	.40
Ansley	...	.03	.03	.03½
Aquarius	...	.08	.08	.12
Band Ore.	...	.09	.08½	.09
Beatrice	...	.05	.04½	..
Bonville	...	.04	.03	.04
Bouscadillac	...	.01¾	.03¾	.04
Brazil Gold	...	.03	.01½	.03
B.R.X. Can.	...	.10	.10	.13
Bruce Cons.	...	.02	.01	.03
Bulolo Gold	†1.00	15.00	15.00	15.25
Canusa	...	.12	.11	.13
Celta Devel.	...	.05	.05	.06
Cen. Manitoba	...	.08	.06	.08
Century	...	.07	.07	.10
Congress	...	.05	.04½	.05¾
Cuyuni	...	.56	.51	.55
Cryderman	...	.01	.00½	.01½
Dickstone L.	...	.05	.03	.05
Flin Flon	...	.01½	.01	.02
Fontana '45	...	.03½	.03½	.05
Forty-Four	...	.90½	.90	.97
Francoeur	...	.09	.08	.10
Goldbeam	...	.06	.06½	.08½
Gold Lake	...	.02	.02	.03
Goodfish	...	.03	.03	.04
Graham B.	...	.11½	.11½	.15
Grandoro	...	.16	.15½	.17½
Grandview	*†.02	.16	.17	.21
Great Falls	...	.02½	.03	.04
Heath	...	.08	.06½	.08½
Hudson R.	...	.09½	.10	.13
Int. Mining	...	4.75	4.05	..
Island Lake	...	.03½	.00½	..
Jacola	...	.03	.02½	.04
La Luz	...	2.35	2.20	2.40
Maralgo	...	.04½	.04	.03½
Mentor Explor. ...	...	2.00	1.60	..
N. Louvre	...	.04¾	.02	.04¾
Normandy	...	.03	.02	.03
Ogama Rock	...	.40	.38	.42
Packsack	...	.01½	.01½	.02
Parbec	...	.04	.04	.04½
Pato Cons.	†.30	3.65	3.60	3.65
Placer Devel.	.50	17.00	16.00	17.50
Proprietary	▲.08	14.37½	13.00	15.00
Prospectors Air's .	...	.50	.46	.53
Quebec Gold	...	.40	.25	.40
Red Cloud	...	.03	.02½	.03½
Rice Lake	...	.01	.01	.02
Ryanor	...	.07½	.07	.12
Sand River	...	.05	.05	.06
Scotia Gold	...	.00½	.00½	.01
S. American G. ..	*†.20	1.10	..	..
Standard G.	...	.08	.07	.09
Star Lake	...	.00¾	.00¾	.07
Sturgeon River ...	...	.16½	.18	.20
Taylor B.	...	.44	.40	.48
Tiblemont	...	.14	.04	.20
Towagmac	...	.10	.08½	.10
Vicour	...	.08½	.06	.08¾
Villbona	...	.03	.02½	.04
Winnipeg R. Tin ..	...	.01½	.01	.01½
Yukon Cons.	...	.79	.45	.50

—OIL STOCKS—

		Last sale	Bid	Ask
Acme Gas & Oil ..	...	.07	.06½	.07½
Admiral	...	.05	.04½	.06
Coastal	...	.30	.25	.29½
Commoil	▲.00½	.40	.35½	.45
Lowery	...	.50	..	..
Marvel	...	.01¾	.01	.02
McLeod	...	.04½	..	..
Midland P.	...	.27	..	..
Oil Selections	...	.04½	.04½	.05
Petrol Oil	...	.15	.15	.25
Royal Crest	...	.03	.03	.06
Three Point	...	.05	.10	..
Texas Can.	■1.85	.50	.50	1.00
Turner V.	...	.30	.25	..
Vul. Brown	...	.14	.10	.18½
Wellington	...	.04	..	..

▲Paid or payable in 1949. †Paid in 1948. §Paid in 1947. ‡Paid in 1946. *N. Y. funds. ■Cap. distribution.

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Mar. 1, 1949

%	Due	Bid	Ask
Victory Loans:			
3	June 1951 ...	102½	102⅞
3	Mar. 1954 ...	103½	104
3	Nov. 1956 ...	103½	104
3	May 1957 ...	102⅞	103¼
3	Jan. 1959 ...	102	102½
3	June 1960 ...	101⅞	102¼
3	Feb. 1962 ...	100⅞	101⅜
1½	Nov. 1950 ...	100	100⅜
3	Oct. 1963 ...	100⅜	101⅛
3	Sept. 1966 ...	100½	101¼
1½	Nov. 1949 ...	100⅛	100⅜
Dom. of Canada Bonds:			
3¼	Feb. 1952 ...	102⅞	103⅜
3	Oct. 1952 ...	100⅞	101¼
3	June 1955 ...	101¼	101⅞
3	June 1956 ...	102¼	102⅞
4½	Nov. 1959 ...	101⅜	102¼
3¼	June 1966 ...	102¾	103¼
3	Perpetual ...	99½	100⅜
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959 ...	101½	102
4½	Sept. 1951 ...	105⅜	107½
4½	Feb. 1956 ...	120	122½
4½	July 1957 ...	122	124½
3	Oct. 1969 ...	106½	108
5	Feb. 1954 ...	111½	112½
5	Feb. 1970 ...	107½	108⅜
4½	June 1953 ...	120½	123¼
Can. Nat. W. Ind. S.S.:			
4½	June 1955 ...	121	123½

%	Due	Bid	Ask
Grand Trunk Pacific Rly.:			
3	Jan. 1962 ...	108	110½
4	Jan. 1962 ...	118½	120½
Montreal Harbour Comm.:			
5	Nov. 1969 ...	106½	108
Provincial Govt. Bonds			
Alberta:			
3½	June 1950/64.	100½	102
3½	June 1959 ...	107½	110
3½	June 1950/72.	101⅜	103
3½	June 1956/71.	100½	102
British Columbia:			
2¾	Jan. 1967 ...	94	96
4½	Jan. 1969 ...	126	128½
5	Apr. 1954 ...	118½	121
5	Sept. 1953 ...	107	109
3	Dec. 1960 ...	99	100½
4	Dec. 1957 ...	115½	117½
Manitoba:			
4	Dec. 1957 ...	115½	118
4½	Dec. 1956 ...	119	121½
5	Dec. 1959 ...	125	127
2¾	Aug. 1962/64.	93⅞	95⅛
5½	July 1958 ...	116⅛	119
New Brunswick:			
4½	Apr. 1961 ...	115½	117½
5	Jan. 1960 ...	119	121
2¾	June 1966 ...	89	91
3½	Oct. 1960 ...	97½	99½
Nova Scotia:			
3½	June 1956 ...	100⅜	102½
4½	Nov. 1960 ...	121½	123½
5	Mar. 1960 ...	126	128
3	June 1956/58.	99⅞	101½
2¾	Sept. 1966 ...	93	95
3½	May 1960/62.	100½	101⅞

%	Due	Bid	Ask
Ontario:			
2¾	Nov. 1965/69.	94½	95½
3	Apr. 1962/65.	99½	100½
3½	May 1952/55.	102	103
4	June 1962 ...	118	120½
4½	June 1950 ...	102½	103½
4½	Jan. 1962 ...	123½	126
5	Dec. 1960 ...	128	130
2¾	July 1967/76.	92½	95
Ont. Hydro Commission:			
4	Aug. 1957 ...	115½	118
2¾	June 1961/71.	93⅞	95
2¾	Oct. 1965/68.	94½	96
Prince Edward Island:			
4	Mar. 1951/54.	101	102½
Quebec:			
3½	Mar. 1954/59.	103	104½
3½	Feb. 1952/55.	103	104½
4½	Aug. 1958 ...	109	110½
4½	Jan. 1963 ...	113⅞	115½
3	Feb. 1960/62.	99½	100⅞
4	Nov. 1950/52.	102½	104
Quebec Hydro Commission:			
3	Feb. 1969/73.	97½	98½
Saskatchewan:			
4	Nov. 1955/60.	99	101
5	Aug. 1958 ...	105½	107½
4½	Mar. 1960 ...	106	108½
5	Dec. 1959 ...	109½	112
5½	Oct. 1952 ...	104½	106½
6	Mar. 1952 ...	105⅜	107½
3	Mar. 1963 ...	90	92
3¼	Nov. 1960/62.	92	94
3¼	Feb. 1960/62.	96	97½

Unlisted Stocks

(Compiled from quotations supplied by Kippen & Co., Intercity Securities Corp. and Kamm, Garland & Co.)

Feb. 28, 1949

	Bid	Ask.
Allens London Theatre pfd.	60.00	....
Allens Toronto units	40.00	....
Anglo. Can. Telephone A	10.00	10.75
Beach Foundry pfd.	95.00	....
Beauharnois L. H. & Pr.	15.50	17.00
Brinton Peterboro Carpet	90.00	....
British Amer. Assurance	70.00	....
British Mtge. & Trust	185.00	200.00
B. C. Sugar	86.50	89.00
B. C. Telephone pfd. 4¾%	102.25	104.25
Brockville Trust Co. $50 p.	60.00	....
Canada Tea pfd.	95.00	....
Can. Fire Insurance $10 par	19.00	20.50
Can. Investors Corp.	7.50	8.25
Can. Motor Lamp	11.00	12.50
Can. West Nat. Gas com.	65.00	....
Do. pfd.	18.50	19.75
Capital Wire Cloth com.	13.00	....
Do. pfd.	24.50	27.50
Cawthra Apts. units	12.00	....
Chase, A. W. units	51.00	....
Colonial Realty com.	10.00	....
Colonial Steamships com.	90.00	....
Commercial Finance com.	16.00	18.50
Commercial Life 10% paid	10.00	11.50
Commonwealth Inter. Corp.	3.21	3.53
Confederation Life 30% pd.	160.00	....
Cooksville A	11.75	12.75
Do. B	4.75	5.75
Crown Life Ins. 100% paid	315.00	....
Cuban Can. Sugar com.	....	5.50
Debenture & Securities pfd.	99.00	104.00
Detroit Intl. Bridge	14.00	15.50
Dom. Can. Gen. Insurance	210.00	....
Dominion Life Assurance	225.00	....
Dover Industries Limited	11.50	12.50
Dunlop Tire pfd.	24.75	25.75
Dupuis Freres pfd.	24.00	25.25
Empire Life Ins. 25% paid	17.00	19.00
Essex Packers com.	3.00	5.00
Do. pfd.	43.00	46.00
Excelsior Life Ins. 50% pd.	101.00	....
Foreign Power Co.	....	4.50
Foreign Power Sec. pfd.	3.00	5.00
Galt Brass com.	32.00	....
Goderich Elevator & Trans.	16.50	17.50
Great West Life	375.00	415.00
Guardian Realty pfd.	50.00	....
Guaranty Co. of N. America	385.00	415.00
Guelph & Ont. Svgs. $50 par	60.00	....

	Bid	Ask.
Hart Battery com.	9.75	10.75
Hartz, J. F. A	9.25	10.25
Homewood Sanitarium	115.00	....
Hudson Bay ord.	10.00	....
Imperial Life	325.00	350.00
Industrial Mtge. Tr. $50 p.	60.00	....
Ingram & Bell pfd.	100.00	....
Lambton Loan & Inv. $50 p.	80.00	85.00
Laprairie com.	3.00	....
Do. pfd.	....	95.00
Loblaw Groc. Inc.	16.25	17.25
Manufacturers Life Ins.	335.00	360.00
McCarthy Milling A	7.75	8.50
Moirs Limited 6% pfd.	115.00	....
Monarch Life 30% paid	101.00	....
Morrow Screw com.	24.00	28.00
Mountainview Apts. pfd.	22.00	....
Nat. Drug & Chem. com. N.	....	7.00
Do. pfd.	11.00	12.00
National Life 25% paid	60.00	70.00
New Brunswick Telephone	11.75	12.75
North Amer. Elev. 1st pfd.	....	70.00
Northern Tel. com.	1.75	2.25
Ont. & Que. Rly. cap. stks.	140.00	....
Paramount Oshawa pfd.	85.00	....
Peller Brewing com.	2.50	3.50
Do. pfd.	16.00	17.50
Provincial Bank of Canada	16.00	16.75
Prudential Trust	13.00	....
Quality Steels com.	....	.50
Sawyer Massey com.	2.25	....
Seiberling Rubber com.	6.00	....
Sincennes McNaught. Tugs	2.25	3.00
Sherbrooke Trust	140.00	....
Sovereign Life 25% paid	41.00	....
Standard Fuel pfd.	40.00	43.00
Do. com.	3.00	4.50
Sun Life Assce.	480.00	515.00
Third Can. Gen. Inv.	3.75	4.10
United Farmers Co-op.	2.00	3.50
United Steel A pfd.	24.75	26.00
Victoria Trust & Savings	135.00	....
Waterloo Manuf. com.	7.25	8.25
Waterloo Trust & Svgs.	123.00	127.00
Western Assurance com.	62.50	....
Western Assur. pfd.	41.00	....
Western Grain com.	1.00	1.35
Do. pfd.	27.00	29.50
York Trading	11.00	12.50

Grain Prices

Winnipeg Grain Futures

Week to Feb. 28, 1949

Crop year from Aug. 1, 1948 High	Low		High for week	Low for week	Close Feb. 28
		Oats			
.78⅞	.68⅛	May	.71⅞	.70½	.71
.75⅜	.66⅜	July	.68⅛	.67	.67⅝
.70	.62½	Oct.	.67¾	.64½	.64⅝
		Barley			
1.10⅛	.98¾	May	1.08	1.02¾	1.05⅜
1.07½	.96	July	.99½	.96⅞	.97⅝
1.01⅝	.93⅜	Oct.	.95¼	.93⅝	.93⅝
		Rye			
1.79	.98⅞	May	1.18¾	1.13¼	1.18⅝
1.72	1.05⅝	July	1.18½	1.12⅞	1.18½
1.55½	1.03	Oct.	1.15⅛	1.10½	1.15⅛
		Flax			
4.11½	4.01	May	4.02	4.01	4.01
4.12	4.02	July	4.02	4.02	4.02

Cash Quotations

	For Week Feb. 28 High	Low	Prev. week High	Low
Oats				
2 C. W. ..	.79⅝	.76⅛	.76¾	.75¼
3 C. W. ..	.72⅞	.71	.72	.69¾
Barley				
1 Feed ..	1.09	1.05⅝	1.09	1.08¾
2 Feed ..	1.07⅛	1.07⅛	1.07⅛	1.07⅝
Rye				
2 C. W. .	1.15⅝	1.10¾	1.14⅛	1.10¾
Flax				
1 C. W. .	4.00	4.00	4.00	4.00

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Mar. 1, 1949

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
‡Alg. Cen. H.B.R.	5	'59	68	71	69½
†Assoc. Tel. & T.	5½	'55	106	...	107
Bell Telephone.	3	'77	96	99	96
B. C. Electric	3½	'67	91½	94½	92
Calgary Power.	3½	'73	95	...	95
East Kootenay	3½	'67	89	92	89
Gatineau Pr. D	3½	'70	99	102	99½
*Do. C	3	'70	95	98	95
Gt. Lakes Pwr.	3½	'67	96	99	96
*Int. Hydro-El.	6	'44	69	72	69
L. St. Law. Pr.	3½	'65	95	...	95½
Maclaren-Quebec Power	3	'69	94	97	94
†Mtl. Trams. A	5	'55	90	93	90
Nat. Lt. & Pr.	4½	'61	100	...	100
Nor. Que. Pr.	4½	'67	98	101	98
Ott. L.H. & Pr.	4	'57	100	103	100
Power Corp.	3½	'67	94½	97½	94½
Quebec Power	3	'62	97	100	97
Saguenay Pr.	3	'71	98	...	98
St. Maurice Pr.	3½	'70	96½	99½	96½
Shaw W. & Pr.	3	'61	97½	100	97½
Shaw W. & Pr.	3	'71	94	97	94
Do.	3½	'70	98½	101	98½
Union Gas	4½	'50	100	103	100
Un. Fuel Invest.	4	'59	100	...	100
United Secs.	3	'52	99½	...	99½
Winnipeg Elec.	3½	'71	101½	104	101½
Industrial Issues:					
Abitibi Pr. P.	3½	'67	98	101	98
Acadia-Atlantic Sugar	3½	'65	100	...	100
Aluminum Co.	3½	'74	101	...	101½
Bathurst P. & P.	3½	'68	98½	...	98½
B.C. For. Pdcts.	4	'66	88	91	88
B.C. Pulp & Pa.	3½	'67	95½	98½	95½
Bowater's Nfld. P. & P.	3½	'68	96	99	96
Brompton Pulp & Paper	3½	'66	93	96	93
*Brown Co.	5	'59	98	101	100
Burns & Co.	4	'63	97	100	97
Can. Steamship.	3½	'57	99	102	99
Can. Brew.	3½	'67	91	94	91
Can. Celanese	3	'62	96½	99½	96½
Can. Oil	3½	'62	98	101	98
Can. West. Lum.	4	'62	99	102	99
Chateo Stl. Pr.	4	'67	89	...	88
C.P.R.	3½	'51	101½	103½	101½
Do.	4	'49	100	...	100
C.P.R.	4	Perp.	104	108	104
Cockshutt Plow Co.	4½	'65	100	102½	100
Columbia Cell.	5	'68	99	102	99
Consol. Paper	3½	'67	101	103½	101
Dom. Coal	4½	'52	100½	...	100½
Dom. Tar & Ch.	3½	'57	100½	...	100½
Dom. Textile	3½	'59	101	...	101
Dom. Woollens.	5	'64	100½	103	100½
Dryden Paper	4	'61	100	...	100
E. B. Eddy	3½	'66	98	101	98
E. B. Eddy	4	'66	101	104	101
English Electric	4	'67	96	99	96
Federal Grain	4	'64	97½	100½	97½
Gt. Lakes Pap.	3½	'67	98	101	98
Imperial Tobac.	2¾	'66	95½	98½	95½
Indust. Accept.	3½	'66	94	97	94
Lake St. J. P.	5	'61	101	103½	101
Lang, John A.	4½	'62	101	103½	101
Laurentian Silk.	4½	'67	100	...	100
MacMillan (H.R) Ex.	4	'65	100	...	100
Maple L. M.	3½	'63	96½	99½	96½
Massey-Harris	3	'66	94	97	93½
Do.	4½	'63	100	103	100
McColl-Front.	3	'71	94	97	94
Mercury Mills	4	'63	98½	...	98½
Monarch Knit.	4	'66	99	...	99
Morgan (Henry) Prop.	3½	'67	98	...	98
N.S. Steel Coal	3½	'63	97½	100½	97½
Penman's	3½	'66	99½	...	99½
Price Bros.	3½	'66	99½	102½	99½
Silv. Dairies	4	'60-64	98	...	98
*Do.	4	'71	89	...	89
Simpsons Ltd.	3½	'60	101½	104	101½
Steel of Canada	2¾	'67	94	97	94
Tor. Elevators	3½	'66	97½	...	97½
United Corp.	4	'58	99½	...	99
*United Steel	4	'60	98½	...	98
Untd. Grain Gr.	4	'63	100	...	100
‡Western Grain	5	'63	81	84	80½
York Knit. Mills	3½	'71	89	...	89

*Payable in Canada or United States.
†Payable in Canada, U. S. or U. K.
**Payable in United States.
‡Payable in Canada only.
§Payable in Canada or U. K.

Investment Trusts

	Bid	Asked
Affiliated Funds	3.57	3.90
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	4.40	4.85
Can. Invest. Corp.	7.50	8.25
Commonwealth Int.	3.23	3.55
Corporate Invest.	7.95	8.55
TransCanada A	13.40	....
Do. B	....	13.65

Record of Financing

Sales by Municipalities, Provincial and Dominion Government. Offerings of Corporation and Foreign Securities

PROVINCIAL

Quebec Hydro-Electric (Guaranteed by the Province of Quebec)—3% debentures, due Feb. 1, 1961-69, $7,500,000, issued Feb. 1949. Bought privately by Mills, Spence & Co. Ltd.

Province of Quebec—3% sinking fund debentures, due Mar. 15, 1965, $35,000,000, dated Mar. 15, 1949. Offered at $99.50 to yield 3.04% by a large syndicate of investment dealers and banks headed by A. E. Ames & Co. Ltd.

MUNICIPAL

Village of Cheneville, Que.—3½% debentures, due Dec. 1, 1949-63, $60,0000 issued Feb. 7, 1949. Sold at $97.19 to McNeil, Mantha Inc.

Town of Bracebridge, Ont.—3½% debentures, due Feb. 1950-69, $180,000, issued Feb. 14, 1949. Sold at $101,875 to Matthews & Co.

City of Brantford, Ont.—3% debentures, due Dec. 31, 1949-68, $293,400, issued Feb. 14, 1949. Sold at $100.527 to Harrison & Co. Ltd.

School Commission of Kingsey Falls, Que.—3% and 3½% debentures, due Dec. 1, 1949-53-68, $45,000, issued Feb. 14, 1949. Sold at $97.75 to L. G. Beaubien & Co. Ltd.

Municipality of St. Simon of Drummond, Que.—3%, 3¼% and 3½% debentures, due Mar. 1, 1950-59-63-64, $345,000, issued Feb. 16, 1949. Sold at $97,797 to Gairdner & Co. Ltd. and McNeil, Mantha Inc.

City of Prince George, B.C.— 3½% debentures, due Dec. 1, 1949-68, $60,000, issued Feb. 16, 1949. Sold at $99.47 to A. E. Ames & Co. Ltd.

Village of Ste-Croix, Que. — 3% debentures, due Jan. 1, 1950-74, $10,000, issued Feb. 16, 1949. Sold privately at $100.

CORPORATE

Moffats, Limited — 4½% first (closed) mortgage sinking fund bonds, due Mar. 1, 1964, $1,000,000, dated Mar. 1, 1949. Sold at $100 and accrued interest to yield 4.50% to Nesbitt, Thomson & Co. Ltd.

Traders Finance Corp.—3¼% debentures, due Feb. 1, 1954, $5,000,000, issued Feb. 16, 1949. Offered at $100 by McLeod, Young, Weir & Co. Ltd.

COMMON STOCKS

Odl Comrades Brewery — 125,000 shares (no par value). Offered at $2 per share by W. D. Latimer & Co. Ltd.

Supplementary Bond Quotations

Furnished by Investment Dealers' Association

Month-end Closing Prices

Feb. 28, 1949

	Bid	Asked
Acadia Apartments 4%, 1959	97½	—
Adelaide Peter 4%, 1967 & com.	76	—
Adelaide Sheppard 5-7%, 1948	82	—
Alexan. Bldg. 6%, 1962 & com	74	—
Ancroft Place 4%, 1956 & com.	83½	86½
Balfour Bldg. 3-6%, 1943	86	—
Bay Adelaide 4½%, '68 & com.	79	—
Bay Cumber. 3½%, '58 & com.	74	—
Bay St. Albans 4%, 1953	86	—
Bloor St. George 4%, 1967 & com.	93	96
Clarendon Apts. 7%, 1946	67½	71
Clarendon Properties 7%, 1947	67	70
Deer Park Manor 4%, 1959 & com.	90½	92½
Dominion Square 4%, 1959	102	—
Ellis Park 4½, 1960 & com.	91¾	94
400 Avenue Rd. 4½%, '57 & pfd	91½	—
Gleneagles Inv. 5/59 & com.	111½	—
Lomb'd R'lty 2½%, '51 & com.	66	—
Lord Nelson Hotel 4%, 1947	82	85
Metropolitan Bldg. 4½%, 1952	102	—
Montreal Apts. 1st 4½%, 1964	97	99½
Montreal Apts. 2nd 4½%, 1954	92	—
Municipal Bankers 4-5%, 1948	25	—
Ontario Bldg. 3%, 1943	73	75
Oshawa Bldg. 4%, 1953 & pfd.	84	—
Ramsden Park Apt. 5%, '61 & com.	68	—
St. Cath. Stanley 4%, 1957	99½	—
St. Clair 200 W. 4½% 1958 & pfd.	91½	—
Sherbrooke St. Realty 4%, 1952	98½	—
Stanley Realty 3%, 1962	33	—
York Adelaide 7%, 1945	47	—

Municipal Bonds

Mar. 1, 1949

	Coup. %	Matur.	Bid $	Ask $	Yld. %
Victoria	3¾	'55-66	97½	100	3.79
Vancouver	3	'67	89	92	3.58
Calgary	3½	'62	98	101	3.44
Edmonton	3½	'60	98	101	3.69
Regina	3	'64	90	93	3.49
Moose Jaw	3-3½	'60	94	97	3.50
Winnipeg	2¾	'66	92	95	3.12
Ottawa	3	'54	101½	103½	2.43
Toronto	2¾	'72	92	95	3.11
Hamilton	3	'60	98½	100½	2.94
Windsor	2½	'75	73¾	76¾	3.90
Quebec	2¾	'66	90	93	3.38
Halifax	3	'66	92	95	3.31
Saint John	3½	'65	98	101	3.34
Windsor	2¾	'75	78	81	3.90
Windsor	3½	'75	90½	93½	3.90
Montreal	3	'70	92	95	3.38

Dividends Declared

	This payment $	Date payable	Date of record
Abitibi	*.25	Apr. 1	Mar. 1
Do. $1.50 pf.	.37½	Apr. 1	Mar. 1
Do. $2.50 pf.	.62½	Apr. 1	Mar. 1
Acadia-Atlantic A pf	.25	Apr. 1	Mar. 10
Do. pf.	1.25	Mar. 15	Feb. 21
Aluminium	.50	Mar. 4	Feb. 4
Do.	.25	June	May 4
Amer. Cyn.	.37½	Apr. 1	Mar. 4
Do. pf. 3½%	†.87½	Apr. 1	Mar. 4
Asbestos Corp.	.30	Mar. 31	Mar. 9
Anglo-Can. Oil	.05	Apr. 13	Mar. 21
Anglo-C. Tel. A	.15	Mar. 15	Feb. 10
Auto Elec. Ser.	.10	Mar. 15	Feb. 19
Do. A	.12½	Mar. 15	Feb. 19
Beatty Bros.	.75	Apr. 1	Mar. 15
Beaver Lumber A	.25	Apr. 1	Mar. 10
Do.	.25	July 2	June 10
Do. pf.	.35	Apr. 1	Mar. 10
Do.	.35	July 2	June 10
Beld. Cort.	1.50	Apr. 1	Feb. 28
Do. pf.	1.75	Apr. 1	Feb. 28
Bell Tele.	.50	Apr. 15	Mar. 15
Belleterre M.	.10	Mar. 15	Feb. 15
Belgium Glove	.15	Apr. 1	Mar. 15
Do. 5% pf.	.25	Apr. 1	Mar. 15
B. A. Oil	.25	Apr. 1	Mar. 3
Do. pf.	.234375	Apr. 1	Mar. 3
B. C. Elec. 4% pf.	1.00	Apr. 1	Mar. 15
Do. 4¾% pf.	1.19	Apr. 1	Mar. 15
		Coup. 2-xc-	Mar. 31
B. C. Packers A	.37½	Mar. 15	Feb. 22
Do. B	.25	Mar. 15	Feb. 22
B. C. Power A	.40	Apr. 15	Mar. 31
Brantford Cord.	.12½	Apr. 15	Mar. 20
Do. pf.	.32½	Apr. 15	Mar. 20
Brew. & Dist.	.60+.30	May 20	Apr. 21
Bruck Mills A	.30	Mar. 15	Feb. 15
Do. B	.07½	Mar. 15	Feb. 15
Burlington Steel	.20	Apr. 1	Mar. 10
Burns Co. A & B	.30	Mar. 15	Feb. 15
Do.	.30	July 28	July 7
Do.	.30	Oct. 28	Oct. 7
Butterfly Hose	.25	Mar. 15	Feb. 15
Burrard D. D. A	.11	Mar. 15	Feb. 26
Can. Bread 4½% pf.	1.12½	Apr. 1	Mar. 10
Do. B pf.	.62½	Apr. 1	Mar. 10
Can. Cement pf.	.32½	Mar. 21	Feb. 21
Can. Crushed Stone	.15	Mar. 19	Mar. 1
Can. Dry	†.15	Apr. 1	Mar. 15
Do. pf.	†1.06¼	Apr. 1	Mar. 15
Can. Iron Fdry.	.40	Apr. 15	Mar. 31
Do. pf.	.30	Apr. 15	Mar. 31
Cal. & Ed. Corp.	.05	Apr. 16	Mar. 11
Can. Malting	.50	Mar. 15	Feb. 15
Can. Nor. Pwr.	.15	Apr. 25	Mar. 18
Can. Packers A	.75	Apr. 1	Mar. 1
Do. B	.25	Apr. 1	Mar. 1
Can. Perm. Mtge.	2.00	Apr. 1	Mar. 15
Can. Safeway pf.	1.12½	Mar. 1	Feb. 14
Can. Starch pf.	*7%	Mar. 31	Mar. 24
C. Wire & Cable A	1.00	Mar. 15	Feb. 28
Do. B	.50	Mar. 15	Feb. 28
Candn. Brew.	.50	Apr. 1	Feb. 28
Candn. Cel.	.35	Mar. 31	Mar. 15
Do. pf.	.43¾	Mar. 31	Mar. 15
Do. $1 pf.	.25	Mar. 31	Mar. 15
Candn. Cot.	.70+.50	Apr. 1	Mar. 1
Do. pfd.	.30	Apr. 1	Mar. 1
Candn. Foods	.18¾	Apr. 1	Feb. 28
Do. A	.25	Apr. 1	Feb. 28
Do. pf.	1.12½	Apr. 1	Feb. 28
Candn. For. I. Corp.	.75	Apr. 1	Mar. 1
Candn. Found. A	.37½	Mar. 15	Feb. 28
Candn. Gen. Inv.	.20+.21	Apr. 15	Mar. 31
Candn. Ice Mach. A	.20	Apr. 1	Mar. 15
Candn. Ind.	.17½	Apr. 30	Mar. 31
Do. pf.	1.75	Apr. 14	Mar. 15
Candn. Ing. Rand	1.50	Mar. 30	Mar. 15
Candn. Oil 4% pf.	1.00	Apr. 1	Mar. 10
Do. 5% pf.	1.25	Apr. 1	Mar. 10
Do. 8% pf.	2.00	Apr. 1	Mar. 10
Candn. Pac. Rlwy.	.75	Mar. 31	Feb. 25
Candn. Refrac. pf.	1.12½	Apr. 15	Mar. 30
Can. Silk A	.37½	Apr. 1	Mar. 1
Candn. West. Lum.	.10	Apr. 15	Mar. 18
Do.	.10	Jul. 15	Jun. 17
Do.	.10	Oct. 15	Sept. 17
Candn. Wirebound	.37½	Apr. 1	Mar. 10
Chart. Trust	1.25	Apr. 1	Mar. 15
Chesterville M.	.05	May 16	Apr. 30
Cinzano A	4½d	Mar. 15	Mar. 1
Do. pf.	2½%	Mar. 31	Mar. 15
Cockshutt Plow	‡.20	June 1	May 1
Do.	‡.20	Sep. 1	Aug. 1
Colonial S. S.	7.00	Feb. 25	Jan. 25
Commoil Ltd.	.00½	Feb. 25	Feb. 11
Consol. Litho.	.50	Mar. 31	Mar. 1
Consol. Tet. pf.	.50	June 1	May 16
Consumers Glass	.37½	Feb. 28	Jan. 28
R. L. Crain	.10	Apr. 1	Mar. 15
Cresc. Cream. pf.	5.00	Mar. 31	Mar. 15
Crown Cork & Seal	.50	May 16	Apr. 15
Crown Trust	1.25	Apr. 1	Mar. 18
David & Frere A	.25+.50	Mar. 31	Mar. 15
Do. B	.25	Mar. 31	Mar. 15
Distillers Seag.	.25	Mar. 15	Feb. 25
Dom. Bridge	.30+1.00	Feb. 25	Jan. 31
Dom. Glass	.25	Apr. 15	Mar. 29
Do. pf.	.35	Apr. 15	Mar. 29
Dom. Square	.50	Apr. 15	Mar. 15
Dom. Stores	.37½	Mar. 15	Feb. 15
Dom. Tar & Ch. pf.	.25	Apr. 1	Mar. 1
Do. V.T.	.25	May 2	Apr. 1
Dom. Textiles	.15+.25	Apr. 1	Mar. 4
Do. pf.	1.75	Apr. 16	Mar. 15
Don. Pap.	.50	Apr. 1	Mar. 1
Easy Washing Mach.	.25	Apr. 1	Mar. 15
Economic Inv. Tr.	1.20	Apr. 1	Mar. 15
Eddy A	.25	Mar. 15	Feb. 15
Electrolux	†.40	Mar. 7	Feb. 21
Famous Players	.25	Mar. 26	Mar. 11
Fanny Farmer	†.37½	Mar. 31	Mar. 15
Fed. Fire Ins.	1.00	Aug. 16	Aug. 11
Fibre Prod.	.20	Mar. 22	Mar. 1
Ford Motor	.25+.25	Mar. 4	Feb. 11
Foundation Co.	.35+.50	Apr. 21	Mar. 31
Fraser Cos.	.50	Apr. 25	Mar. 3
Do. pfd.	*1.53	Apr. 1	Mar. 10
Gatineau Pwr.	.30	Apr. 1	Mar. 1
Do. 5% pfd.	1.25	Apr. 1	Mar. 1
Do. 5½% pfd.	1.37½	Apr. 1	Mar. 1
Gen. Prod's A & B.	.50	July 15	June 29
Do. pf.	2.50	July 15	Jun. 29
Golden Man. M.	.05	Apr. 1	Mar. 10
Gord. Mackay A	.12½	Mar. 15	Feb. 15
Do. B	.25	Mar. 15	Feb. 15
Gt. West Life	5.00	Apr. 1	Mar. 18
Gt. Lakes Pap.	.40	Mar. 31	Mar. 7
Do. A pf.	.62½	Mar. 31	Mar. 7
Gt. West Felt	.30	Apr. 1	Mar. 21
Do.	.30	Oct. 1	Sep. 20
Do. pf.	.12½	Apr. 1	Mar. 21
Grafton A	.25	Mar. 15	Feb. 25
Greening Wire	.05	Apr. 1	Mar. 1
Gypsum, Lime	.25	June 1	May 2
Do.	.25	Sep. 1	Aug. 1
Do.	.25	Dec. 1	Nov. 1
Harding Carp.	.20	Apr. 1	Mar. 15
Hart Battery	.10	Mar. 31	Mar. 3
Hinde & Dauch Pap.	.25	Apr. 1	Feb. 28
Hollinger M.	.06	Mar. 3	Mar. 3
F. W. Horner A	.12½	Apr. 1	Mar. 1
Howe Sound	†.50	Mar. 15	Mar. 5
Hudson Bay M.	1.00	Mar. 14	Feb. 11
Huron & Erie Mtge.	1¼%	Apr. 1	Mar. 15
Imp. Tobacco	.10+.20	Mar. 31	Mar. 1
Do. 6% pfd.	3%	Mar. 31	Mar. 1
Ind. Accept. Corp.	.37½	Mar. 31	Mar. 1
Do. 4¼% pf.	1.06¼	Mar. 31	Mar. 1
Do. 5% pf.	1.25	Mar. 31	Mar. 1
Ingram & Bell pf.	6.00	Mar. 15	Feb. 28
Inter City Baking	.75	Mar. 31	Mar. 15
Int. Bronze Pwd. pf.	.37½	Apr. 15	Mar. 14
Int. Metal A	.40	Apr. 1	Mar. 7
Do. pfd.	1.12½	Apr. 1	Mar. 7
Int. Nickel	†.40	Mar. 21	Feb. 21
Int. Pap.	†1.00	Mar. 29	Feb. 23
Do. pf.	†1.00	Mar. 29	Feb. 23
Inv. Found. 6% pf.	.75	Apr. 15	Mar. 15
Jan. Pub. Ser. pf.	1.75	Apr. 1	Feb. 28
Janm. Pub. Ser.	.25	Apr. 1	Feb. 28
Kelvinator	.50	Mar. 21	Mar. 5
Kerr Addison	.05	Feb. 25	Jan. 31
Kirkland L. G. M.	.02	May 2	Mar. 31
John Labatt	.25	Apr. 1	Mar. 15
Lake Shore M.	.18	Mar. 15	Feb. 15
Lawson Jones A	*.50	Apr. 1	Mar. 15
Loblaw Inc.	†.20	Feb. 26	Feb. 4
Lounsbury A & B	.20 ext.	Apr. 1	Feb. 2
W. M. Lowney	.25	Apr. 14	Mar. 15
Mack S. Steel pf.	1.25	Mar. 15	Feb. 28
Do.	1.25	June 15	May 31
H. R. MacMillan A	.12½	Mar. 31	Mar. 18
Do. B	.12½	Mar. 31	Mar. 18
Marcus Loews	1.00	Mar. 31	Mar. 10
Mersey Pap.	.50	Apr. 1	Mar. 12
Do. pfd.	1.12½	Apr. 1	Mar. 12
Massey-Harris	.25	Mar. 15	Feb. 26
Do. pfd.	.62½	Mar. 15	Feb. 26
Minn. & Ont. Pap.	†.50	Apr. 20	Mar. 31
Minn. St. Paul & S.S. Marie Rly	†1.00	Apr. 1	Mar. 15
Robt. Mitchell	.50 spec.	Apr. 15	Mar. 15
Do.	.50	June 15	May 15
Do.	.50	Dec. 15	Nov. 15
J. S. Mitchell	1.00	Apr. 1	Mar. 16
Mod. Containers A.	.25	Apr. 2	Mar. 21
Molsons Brew.	.25	Mar. 24	Mar. 2
Monarch Knit.	.25	Apr. 1	Feb. 28
Do. pf.	1.12½	Apr. 1	Feb. 28
Mtl. Locomotive	.30	Apr. 1	Mar. 9
Murphy Paint	.20	Mar. 31	Mar. 14
Nat. Brew.	.50	Apr. 1	Mar. 9
Do. pf.	.44	Apr. 1	Mar. 9
Nat. Hose. A	.15	Apr. 1	Mar. 4
Do.	.15	July 1	June 3
Do.	.15	Oct. 1	Sep. 2
Do.	.15	Jan. 1	Dec. 2
Do. B	.30	Apr. 1	Mar. 4
Nat. Steel Car	.37½	Apr. 15	Mar. 15
Niagara W. W.	.40	Apr. 1	Mar. 3
Noranda M.	1.00	Mar. 15	Feb. 15
Normetal M.	.10	Mar. 31	Mar. 4
Ogilvie Flour	.25	Apr. 1	Feb. 23
Ont. Loan	1.25	Apr. 1	Mar. 15
Ont. Steel	.25+.25	May 15	Apr. 15
Do. pfd.	1.75	May 15	Apr. 15
Ottawa Elec. Rlwy.	.25	Apr. 1	Mar. 8
Ottawa Lt. H. & Pw.	.15	Apr. 1	Feb. 18
Do. pf.	1.25	Apr. 1	Feb. 18
Page-Hersey T.	.45	Apr. 1	Mar. 15
Paramount Pic.	†.50	Mar. 25	Mar. 4
Paton Mfg.	.20	Mar. 15	Feb. 28
Do. pf. 7%	.35	Mar. 15	Feb. 28
Power Corp. 1st pf.	1.50	Apr. 15	Mar. 18
Do. 2nd pf.	.75	Apr. 15	Mar. 18
Powell Riv.	.50+.30	Mar. 15	Feb. 21
		Coup. 17-xc-	Mar. 12
Preston E. D. M.	.01½	Apr. 14	Mar. 15
Proprietary M.	.05	Mar. 10	Feb. 10
Que. Man. M.	.02	Apr. 1	Mar. 10
Que. Power	.25	Feb. 25	Jan. 17
Regent Knit. pf.	.40	June 1	May 16
Do.	.40	June 1	May 16
Do.	.40	Sept. 1	Aug. 15
Do.	.40	Dec. 1	Nov. 15
Rem. Rand	†.25	Apr. 2	Mar. 9
Do. pf.	†1.12½	Apr. 2	Mar. 9
Rob. Little	.20	Mar. 31	Mar. 15
Rolland Pap. pf.	1.06¼	Mar. 15	Mar. 1
Russell Ind.	.20	Mar. 31	Mar. 10
Do. pf.	1.75	Mar. 31	Mar. 10
Sag. Pwr. pf.	1.06	Apr. 1	Mar. 10
San Antonio G.	.07	Apr. 15	Mar. 15
Sarnia Bridge	.30	Mar. 15	Feb. 28
Shaw. W. & P. pf.	.50	Apr. 2	Mar. 2
Sheep Creek M.	.02	Apr. 15	Mar. 31

Market Comment

Although Canadian industrial averages last week dropped to their lowest point in 10 months, it is more significant that the Dow-Jones industrial average again halted at the important 170 resistance point and then turned up.

This is the second time within a month that it has resisted the break-through action at this point. In each case daily share volume dried up to a 500,000 level. Obviously the market had worked itself into an oversold position and on both these occasions technical factors alone were enough to generate a modest rally. It still appears, however, that the depressed market psychology will halt anything in the way of a determined rally at this time.

Almost every industry has been under fire in the current market weakness, with base metals, refining oils and papers bearing the brunt of investor selling orders. Even high dividend yields appear unable to offer much resistance to downward price pull. Although most traders anticipate a rally in the near future, many of them also look for a continuance of the downward pattern with more momentum by early summer. In the meantime they are not abandoning their side-line positions even for the expected rally. Most of them are of the opinion that better buying levels will be reached before next fall.

A critical period for the 1949 market may be reached by mid-March with the passing of the income tax payment deadline in the U. S. At that time estimates should be available on first quarter earnings. Also it should be known by then whether seasonal factors will be sufficient to check the growing unemployment figures in the U. S.

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JOHN S. DEACON; F. H. Deacon & Co. (Toronto)

The market during the past two years has been predicting the business readjustment which has begun. The present market provides an excellent opportunity for selective buying of sound dividend-paying industrial securities for long-term investors. I believe that for many securities, we are close enough to the bottom to make purchases at today's prices look cheap in the not-far-distant future.

Speculators operating on a narrow margin should proceed with caution. It is possible that the current market decline has yet to have its final fling.

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W. D. BENSON; R. Moat & Co. (Montreal)

At this writing it appears highly probable that the decline in commodity prices which has carried the Dow-Jones futures index down more than 50 points from its November, 1947, high of 175.65 and the U. S. wholesale price index down over 10 points from its Aug., 1948, all-time high of 168.5 (1920 peak was 167.2) has marked the end of the postwar period of price inflation, thus opening the gate to industrial contraction, inventory losses, mounting commercial failures, reduced corporate earnings and lower prices in general.

Providing that this period of transition can be traversed with reasonable tranquillity, both industrially and socially, the way could thus be paved for a new period of activity, expansion and profit. Stable commodities at a reasonable price — not rising commodity prices — are the normal background for sound business expansion and profits. The same wholesale price index referred to above ranged from a high of 104.5 in 1925 to 95 in mid-1929 during which time the greatest stock market boom in history took place.

In an attempt to utilize past experience as a yardstick for the future, let us recognize the fact that we have passed through a period of buoyant price inflation, reflected in both farm and manufactured products; the expansion in consumer and installment credits and mortgage loans savors of unsound speculative expansion; and the productive capacity of industry has become unquestionably overexpanded.

On the other hand we must recognize the increased force of governmental controlled spending; established commodity support programmes which will tend to cushion declines on this continent; and substantial unsatisfied latent demand and unexhausted purchasing power as reflected in bank deposits.

Today, in March, 1949, unlike 1929 when virtually all industries fell out of bed at one time, we have behind us two years of halting but nevertheless progressive readjustment in a number of lines, and unlike 1929 we have had no wide speculation in the security markets with all conceivable current and near-term demand for necessities and luxuries satisfied.

In summary, I would say that we are probably faced and in fact have entered a period of sharp and important industrial readjustment, but that the ingredients of a major depression of the 1932 type do not today exist. From the viewpoint of the stock market, while allowance must be made for the possibility of a measure of intermediate recovery between now and April, the overall trend appears to be downward, with a further decline of between 20 to 25% well within the realm of possibility before the end of the third quarter of 1949.

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BARRON's: The Trader

So heavy is the weight of bearish opinion that even elements of opinion which are usually bullish say privately that it is unlikely a worthwhile advance could be nurtured on present deflationary fare in commodity markets. It has long been said that speculation is not dead, only sleeping. If so, it is a somnolent giant, shackled by credit controls in the form of high margins to a point of apathy to current high price-earnings ratios and yields as well as other favorable corporate news.

Unlisted Mines

Supplied by the Broker-Dealers' Association of Ontario.

Approximate quotations, 3 p.m., Feb. 28, subject to confirmation and change:

	Bid	Ask
Abenakis	3½	5½
Advance	4	4½
Alexander	3	5
Aljo	1	2
Ama Kir	6	8
Anna'que	2½	3
Argonaut	2½	3½
Audley	1½	3
Auterra	2	3
Aurora Y	2	5
Baker	3	4
Barb L N	3	4
Batch R	..	30
Beauriv	7	9
Bi Ore	35	40
Blondor	2	3
Bousan	12	13
Bour C	1½	3
Bradnor	1	3
Braminco	17	..
Br Breest	3½	4½
Bravo	1½	2½
Bright RL	2½	3½
B McDade	8	10
Bulldog	28	31
Burley Po	½	1½
Camlaren	4	5
Camray	37	40
Captain	5	7
Carricona	1	2
Cassidy	2½	3½
Cent M	6	8
Cock RL	2	2½
Columbier	2	2½
Con Chib	16	19
Con Cop	8½	10
Courageo	1½	3
Craibbe	5	7
Croydon	2	3
Cuyuni N	50	55
Delhi	13	16
Derlac	1½	2½
De Sant	2	4
Dom Mal	1	1½
Donna Pat	1	2
Durham	7½	10
Doris	1	2
Echo Ind	3½	5
Elmac	4	5
Erin Kirk	1½	2½
Flicka	1½	2½
Forty For	87	97
Gan Cop	7	9
Gilbec	1½	2½
Goldpac	12	15
Goodrock	1	2
Gord Lebel	1½	3
Gov Gold	3½	5
Grnd Chib	20	30
Greenlee	5	7
Grndhog	5	10
Gwillam	14½	16
Halden	3	4
Habitant	2	3
Harp Mal	1½	2½
Hornfault	7	9
Hayes Cd	½	2
Hugh Pam	8	10
Independ	4	5
Islepines	39	43
Joannes D	1	3
Kamiac	15	18
Ken Bay	4½	6
Kenda Po	5	8
Kenroy	½	1½
Kindon	37	40
L Expanse	7	9
L Geneva	9½	11
Lar-Add	1	3
La Salle	4	5
Lavalie	3½	4
Lee Pine	6	10
Legardo	½	1½
Lennie	2	4
Louvore	½	1½
Mallen RL	6	7
Marbenor	7	9
Marquette	1	2
Mar Bird	4	6
Mary Ann	4	5

	Bid	Ask
Mat Con	30	35
Metalore	4	6
Mate Yel	3½	5
Miles RL	4	5
Mindus	5	7
Mink	3	5
Mistassini	4	6
Moffat H	1	2
Mohawk P	2	4
Murbell	½	1
Murmac	14½	16
McManus	4	6
McCuaig	4	6
Nat Mal	11	13
Nayb '45	3	5
Newcore	6½	8
New Aug	11	13
New Mal	3	4
Nickel L	15	17
N Offsets	250	285
Norbeau	60	70
Norcourt	2½	4
Norford	1½	2
Normar	4½	5½
Nortyne	1	3
Novele P	2	3
Obalski	3	5
do '45	10	12
Oklend	3½	4½
Obaska	9	11
Olivet	1½	2½
Opemiska	14	17
Ortona	5½	6½
Pascalis	11	14
Pelangio	3	4
Payne	6	8
Phelps	1	2
Pinnacle	½	1½
Poona Go	½	1½
Presdor	2	3
Privateer	19	21
Quejo	4	6
Quest	2	3
Rajah R L	1	3
Rand Mal	7	9
Raymond	1½	2½
Randona	2½	4
Rebair	11	13
Redruth	1	3
Redwood	6½	7½
Richgroup	7	8
Russet	4	5
Rhyolite	4½	5
Salmita	3	4
Santiago	8	9
Sepha	3	5
Sheldon	11	13
Silv Arro	3	5
S Dufault	4	6
Sovereign	9½	11
Skynner	1	2
Starlight	2½	4
Sun Bear	4	5
Thornhill	1	2
Tiffany	1½	2½
Tobico	2	3
Tovarich	1	2
Viking	15	20
Val d'Bel	2½	3
Vinray	3½	4½
Wesley	1	2
West RL	2	3
Wilwood	1	2
Y Davids	17	19
Yelknife	140	165
do vt	135	160
Zolota	20	24
OILS		
Franco	35	42
Granleluc	15	20
Home Oil	9½	10½
Jupiter	18	21
Lingnora	13½	15
Major Oil	3½	5
Nw Ranch	4	5
Pac Oil Ref	5½	7
Princess	27	30
Tower P	..	20
Universal	2	3
Vermilion	22	30
Westlock	11	14

Dividends Declared (cont.)

Sherwin-Will.	.20	May 2	Apr. 8
Do. pf.	1¼%	Apr. 1	Mar. 10
Sicks Brew.	.25	Mar. 31	Feb. 23
Do. V.T.	.25	Mar. 31	Feb. 23
Silknit Ltd.	.15	Mar. 15	Mar. 1
Do. pfd.	.50	Mar. 15	Mar. 1
Silverwood's Dir. A	.15	Apr. 1	Feb. 28
Do. B	.10	Apr. 1	Feb. 28
Do. West. pfd.	1.25	Apr. 1	Feb. 28
Simpsons A	1.00	Mar. 15	Feb. 15
Do. B	1.00	Mar. 15	Feb. 15
Do. pf.	1.12½	Mar. 15	Feb. 15
How. Smith.	.50	Apr. 20	Mar. 31
Do. pf.	.50	Apr. 20	Mar. 31
So. Can. Pwr.	.30	May 16	Apr. 20
Do. pf.	1.50	Apr. 15	May 18
Springer Sturg. M.	.03	Apr. 5	Mar. 16
Stand. Pav.	.50	Apr. 1	Mar. 1
Do. pf.	.62½+.50	Apr. 1	Mar. 1
Stedman Bros.	.20	Apr. 1	Mar. 15
Sylvanite G.	.01½	Apr. 1	Jan. 20
G. Tamblyn	.25+.05	Apr. 1	Mar. 11
Do. pf.	.50	Apr. 1	Mar. 11
Thrift Stores	.25	Apr. 1	Mar. 15
Tip Top Tail.	.15	Apr. 1	Mar. 1
Tor. Gen. Trusts	1.75	Apr. 1	Mar. 11
Tooke Bros.	.10	Apr. 4	Mar. 15
Trans. Can. Shares B	.394	Mar. 1	Coup. 9
Toronto Iron	.15	Apr. 1	Mar. 15
Do. A	.15	Apr. 1	Mar. 15
Tuckett Tob. pf.	1.75	Apr. 15	Mar. 31
Twin City pf.	†.62½	Apr. 1	Mar. 24
United Fuel A pf.	.75	Apr. 1	Mar. 21
United Steel	.15	Mar. 30	Mar. 15
Viau Ltd.	.25	Apr. 1	Mar. 10
Do. 5% pf.	1.25	Apr. 1	Mar. 21
Viceroy Mfg.	.15	Mar. 15	Mar. 1
Wabasso Cot.	.25	Apr. 1	Mar. 12
Waite Amulet M.	.40	Mar. 10	Feb. 15
Walker-Good.	.50	Mar. 15	Feb. 21
Waterous Ltd.	.20	Apr. 15	Mar. 31
Wellington Fire Ins.	1.75	Aug. 15	Aug. 11
Westeel Pro.	.50+.25	Mar. 15	Feb. 25
Wilsil Ltd.	.25	Apr. 1	Mar. 1
J. C. Wilson	.15	Mar. 15	Feb. 28
Woods Mfg.	.50	Mar. 31	Feb. 28
Wool Comb.	.40	Apr. 11	Mar. 25
WrightHar.	.04	Apr. 1	Feb. 25
Zellers	.50	May 1	Apr. 15
Do. 5% pf.	.31¼	May 1	Apr. 15
Do. 6% pf.	.37½	May 1	Apr. 15

†N. Y. funds. *Initial. ‡Payable 1949. §On arrears.

Company Meetings

1949	Company	Place
Mar. 3	Building Prcd.	Montreal
Mar. 3	Dom. Tar & Chem.	Toronto
Mar. 7	Beaulieu Yk. M.	Montreal
Mar. 8	Lake Shore M.	Kirkland Lake
Mar. 9	Prudential Trust	Montreal
Mar. 9	Melchers Dist.	Montreal
Mar. 9	Corr. Paper Box	Leaside
Mar. 10	United Corp.	Montreal
Mar. 12	Journal Pub.	Ottawa
Mar. 14	Cinzano Ltd.	Montreal
Mar. 16	Fidelity Ins.	Toronto
Mar. 18	Barber-Ellis	Toronto
Mar. 22	Cap. Estates	Vancouver
Mar. 30	Can. N. W. Land	Toronto
Apr. 5	Simpsons	Toronto
Apr. 21	Asbestos Corp.	Montreal
Apr. 27	Western Grocers	Winnipeg
Apr. 28	Regent Knit. M.	Montreal
Apr. 28	Montreal Tram.	Montreal
Apr. 29	Anglo-Can. Oil	Calgary

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$18.74	$19.25	$15.18
Hogs	30.10	30.10	28.35
Copper, lb.	.23½	.23½	.21½
Sugar, raw, lb.	.0510	.0510	.0505
Coffee, lb.	.26½	.26½	.25¾
Hides	.25	.26	.27
Weekly Indices			
U. S. Labor	158.5	158.5	159.9
Dow Jones	126.73	126.44	146.83
Fishers	168.2	166.4	166.0
Monthly Indices			
Retail (Jan.)†	159.6	158.9	148.3
W'sale (Jan.)	159.3	159.5	146.9
U. S. (Dec.)	162.2	163.9	163.2
Gt. Brit. (Dec.)	220.6	220.5	203.5

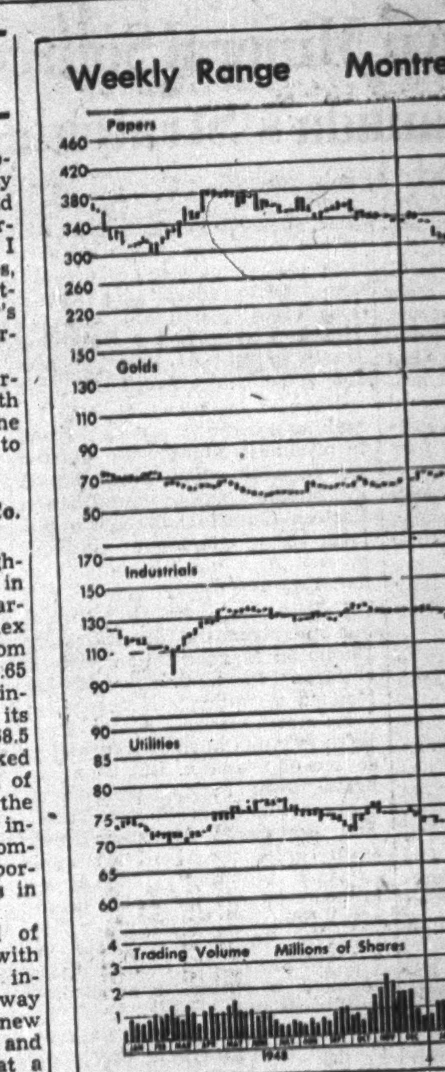
Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good over 1,050 lb., top price, Toronto. Copper -electrolytic, New York. Coffee, No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
†Can. Conv. 1st mtge. ser. "A"	3¾-4%	1952-57	Mar. 1	101

†All outstanding.



New Highs & Lows

During the week ended Feb. 26, 10 new highs were recorded among the general stocks on Canadian Stock Exchanges and 40 new lows. In the mining group there were three new highs and 15 new lows; two new highs among the western oils and two new lows.

GENERAL

New Highs—1948-49

Bell Telephone rts.	Maxwell Ltd.
Candn. Cottons	Nor. Can. Mtge. un.
Cardy Corp.	Standard Paving
Goodyear Tire pf.	Sterling Trust
Gordon Belyea	West. Brew.

New Lows—1948-49

Amalgamated Elec.	Fraser Cos.
Asbestos Corp.	Gt. Lakes Paper
Building Products	Indust. Accept.
Can. Bread	Int. Metal Indust.
Can. Packers B	Int. Petroleum
Candn. Canners	Alf. Lambert
Do. 2nd pf.	London Hose. A
Can. Fairb'ks-M. p.	Mercury Mills A
Candn. Wire Box A	Mica of Can.
Chateo Steel pf.	M. & O. Paper
Cons. Div. Sec. pf.	Ont. Beauty Sup.
Consumers Glass	Price Bros.
R. L. Crain	Purity Flour
Crescent Cream. pf.	St. Law. Pap. 2 pf n
Davis Leather B	Silverw'd W. D. pf.
Dom. Fabrics 2nd p.	United Amuse. B
Dom. Glass pf.	Virginan Dare pf.
Electrolux	Wabasso Cotton
T. H. Estabrooks pf.	Geo. Weston
Ford Motor A	J. C. Wilson

MINING

New Highs—1948-49

Cons. Ast'a	Waite Am.
Orenada	

New Lows—1948-49

Anacon L'd	Nechi
Beaulieu	N. Alger
Candego	Omnitrans
Diversified	Q. M'gese
Eldona rts.	Soma-Duv.
Hasaga	Steep Rock
L. Lingman	Winchester
Louvicourt	

OILS

New Highs—1948-49

Leduc Cal.	N. Cont.

New Lows—1948-49

Cons. H'stead	Royalite new

COMPANY REPORTS

SHAWINIGAN WATER & POWER CO. 1948 net profit was up 7.7%. Revenue from power sales increased to $24,792,632 ($22,670,756). Other revenue was $1,031,709 ($748,990) and dividends from subsidiary and other companies amounted to $1,467,803 ($1,303,181). Total operating expenses increased to $14,519,698 ($12,639,574). Working capital position improved to $25,987,497 ($21,233,080).

INCOME ACCOUNT

Years Ended Dec. 31:	1948 $	1947 $
Power sales	24,792,632	22,670,756
Net earnings	12,772,446	12,083,353
Less: Deprec.	3,500,000	3,250,000
Int. charges	2,981,256	2,842,045
Inc. taxes	2,040,000	2,043,000
Net profit	4,251,190	3,948,308
Less: Pref. divds.	800,000	400,000
Com. divds.	2,613,900	2,613,900
Surp. for year	837,290	934,408
Times Interest Earned:		
Before deprec.	4.28	4.25
After deprec.	3.11	3.11
Earnings per Share and Dividend Record:		
Preferred	$10.63	$9.87
Paid	2.00	1.00
Common	1.58	1.63
Paid	1.20	1.20

CONDENSED GEN. BALANCE SHEET

As at Dec. 31:	1948	1947
Cash	$3,766,635	$1,702,516
Investments	*24,032,885	*21,482,725
Accts. rec.	3,231,527	2,776,487
Total curr. assets	31,031,047	25,961,728
Misc. assets‡	2,121,119	2,342,581
Unamort. disc., etc.	5,842,486	5,483,458
Mov'able prop.	3,733,578	3,257,162
Fixed assets	190,425,545	173,990,566
Dep. re add. prop.	8,500,000	......
Subs. sec., etc.	14,790,991	16,824,772
Total assets	256,444,766	227,860,267
Acc. & tax. pay.	3,108,081	3,002,695
Bd. int. & div.	1,935,469	1,725,953
Total curr. liab.	5,043,550	4,728,648
Funded debt	111,673,500	87,802,500
Conting. res.	1,160,032	1,160,032
Deprec. res.	43,136,833	39,901,119
Capital stock	87,562,997	87,562,997
Surplus‡	7,867,854	6,704,971
‡Incl. ref. EPT	1,091,074	1,532,774
*Including call loans.		
Working capital	25,987,497	21,233,080

FIDELITY LIFE ASSURANCE CO. reports a gain of $1.7 millions of life insurance in force at the end of 1948 to a record $19.0 millions. New insurance written during the year was $3.5 millions, a gain of 4%.

Investment income was higher at $134,735, with total income from all sources $688,114. ($610,420 in 1947). Expenses as in the case of most companies were higher. Mortality at 37.71% of expected was little changed from the 37.53% of the previous year. Total assets were also at a new high at $3.4 millions. Rate of interest earned on invested assets was 4.35% gross, (4.47% in 1947).

	1948	1947
Insurance in force	$19,037,775	$17,253,379
New insurance	3,519,784	3,388,504
Receipts	688,114	610,420
Premiums	512,434	459,441
Invest. income	134,735	125,649
Policy payments	187,991	145,030
Exp., taxes, etc.	197,513	181,832
Sh'holders divds.	4,902	4,892
Liabs. to pol'holders	2,958,713	2,655,981
Other liabs.	24,549	24,475
Liabs. to sh'holders	127,758	127,758
Sp. reserves	165,850	191,094
Total assets	3,476,617	3,175,071
Policyholders' surp.	199,746	175,762
Interest earned	4.35%	4.47%

Top Management Course to Study Break-Even Point

What is the break-even point in business? How have rising costs, changing business condition affected it?

These will be two of the major questions for discussion at the second annual Management Refresher Conference conducted by Stevenson & Kellogg, Ltd., Toronto consulting management engineers, May 1-13. Following this key, the course will study management practices designed to maintain the margin of safety between today's profits and the break-even point.

The course, to be held at Guild of All Arts, Scarborough, will include some 30 representatives of top management and executives marked for senior positions of responsibility in their organizations.

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Start a SAVINGS ACCOUNT ... With Your REFUNDABLE TAX
About $215,000,000 will be available during the month of March to those individuals who have saved through the medium of personal income taxes paid in the years 1943 and 1944.
Refund cheques will be dated March 31st, but may be negotiated any time after receipt.
Why not take this opportunity to begin building financial security and independence? Open a Savings Account today.
If you already have a Savings Account, this offers you a means of increasing the balance.
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Established 1871
ROBERT RAE
President
A. C. ASHFORTH
General Manager
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Created by a distinguished English House for men who revel in the pure joy of really fine tobacco

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More Known Mineral Sources, Stockpiling Improve Canada's Strategic Metal Outlook

By GORDON M. GRANT

Canada, as well as the United States, now has its strategic material "fences" in much better shape than before World War II. Not only is Canada taking steps on her own to stockpile minerals, where production is below domestic consumption levels, but this country has a wealth of productive facilities, known mineral occurrences, and mining know-how which could easily be brought into play.

If further supplies of such scarce minerals as mercury, molybdenum, chromite, tungsten, fluorite, calcium, uranium are required, it will be much easier to achieve needed production than in World War II.

It's doubtful if any mercury is being produced in the Dominion now. But a fairly substantial output could be established on fairly brief notice. Pinchi Lake mine of Consolidated Smelters has substantial known ore reserves and could quickly become greatest single source of mercury in the Commonwealth. Bralorne has also developed a second important mercury mine in B. C. which could be quickly put in production.

In Quebec's LaCorne and Indian Molybdenum (Dome controlled) molybdenite properties, Canada has two potential production sources and substantial quantities could be produced under incentive of higher price. Bulk of this mineral's world production comes from huge Climax Molybdenum property in U. S. However, any pressure for increased supplies of this mineral—used for hardening of steel—might not be as great as for other minerals.

If Foreign Chromite Cut Off

If supplies of chromite from Turkey, India and South Africa should be cut off, Canadian mining men would likely take another look at two places — Black Lake area of Quebec; and Bird River area of Manitoba. Low grade chromite could be secured but cost would be rather high.

Tungsten, one of the most important strategic minerals, could be readily turned out again. Production was suspended at big Emerald tungsten mine in B. C. only recently, but could be resumed again quickly. During last war, dozens of Canadian gold mines recovered tungsten as a war effort: most mines are still equipped to recover this mineral. Red Rose tungsten mine in B. C.'s Hazelton area, and a few other small sources of tungsten production, are also available.

Fluorite is important both for making synthetic cryolite (used in producing aluminum) and the gas fluorine which plays a part in atomic bomb manufacture. Eastern Ontario and Newfoundland, have fluorspar although present price hasn't brought forth much interest lately.

Calcium is now being turned out in substantial quantities by Dominion Magnesium in eastern Ontario. Production could be stepped up quickly if necessary.

Eldorado mine at Great Bear Lake is still Canada's sole major source of uranium. But time appears to be coming when new sources will be developed. Trade and Commerce Minister Howe seems optimistic about a second property (apparently the Athabaska area Martin Lake property). Shaft will be put down this year on Nicholson property in the Athabaska area and its management is optimistic of profitable production.

In Black Lake area of Saskatchewan and in Alona Bay sector of northwestern Ontario are other excellent chances of getting uranium, although properties concerned are still in preliminary stages.

Canadian uranium deposits appear to be much richer than any Russia is known to possess. Grade runs higher.

Manganese Prospects

What U. S. and Canada need badly for economic self-sufficiency is first-class manganese ore deposit. Now we depend on Russia for much manganese. South Africa is a big source but freight car shortage has slowed shipments. Canada has thousands of freight cars on order to speed up delivery of South African manganese, but until recently, at least, making the cars awaited deliveries of U. S. steel.

Manganese occurrences in the Gulf of St. Lawrence Magdalen Islands have failed to stand up under development but there are other known potential sources. The Labrador "trough" is known to possess some manganiferous iron ore which could prove quite important.

Strawhat Lake iron ore occurrence of Sherritt Gordon and Frobisher in Steep Rock region also has a fairly substantial manganese content. Manganese occurrences in New Brunswick would also probably be worth further investigation in an emergency.

Many occurrences of tantalum are known in Northwest Territories, spodunene deposits have been established in Manitoba, and many other minerals will be available if needed. Immense reserves of iron ore in Labrador and New Quebec, are of invaluable importance.

Redwater Lease Sale Nets $5.2 Millions

From Our Own Correspondent

EDMONTON — Alberta government's latest sale of Crown-held rights in the Redwater oilfield brought a record $5,198,071 to the provincial treasury bringing to nearly $11 millions income received from oil land leases, royalties, fees and rentals during first 10 months of current fiscal year.

UNITED ASBESTOS CORP. advises that holes 103, 104, 107 and 108, drilled from ice of Black Lake, have outlined ore area containing 40,000 tons for each vertical foot. Company states new disclosure is in addition to 68 million tons indicated by drilling on the lake's east shore, and previously reported.

OIL PRODUCTION

Imperial's Schoepp No. 1 May Indicate New Field

From Our Own Correspondent

CALGARY—With indicated oil pay somewhat thicker than at Leduc and Woodbend, and a lower elevation of the pay, Imperial Oil's Schoepp No. 1 is coming to be regarded more and more by oil men here as the beginning of a new field rather than as an extension of the Leduc-Woodbend pools.

The Schoepp wildcat, where coring and testing at 5-ft. intervals in the D3 zone of Devonian is now continuing at 5,427-ft. level, is about 4½ miles west of the current producing boundaries of the Woodbend field. About 59 ft. has been opened up below the base of the casing at 5,363 ft., with flows of oil and gas and no sign of water, on each test. Thickness of oil column in Leduc-Woodbend D3 zone is 35-40 ft.

Imperial Oil made another new oil strike last week at Bon Accord where commercial production was indicated when a flow of 35 gravity crude oil was brought to surface 39 minutes after tester opened, during a drillstem test run around the 3,500 ft. level. Bon Accord is 18 miles north of Edmonton and 12 miles southwest of main section of the Redwater field. About 23 ft. of clean oil-bearing limestone was revealed before the water level was established. The discovery was made in a zone equivalent to Leduc's D2 Devonian horizon, and current drilling below 3,724 ft. is searching for equivalent of Leduc and Redwater D3 zone.

During the past two months, production of oil in Alberta increased 10,000 bbls. daily and last week for the first time passed the 50,000-daily mark.

With an increase in total wells operated from 627 to 634 during the week ended Feb. 21, province's production for the week averaged 50,275 bbls. daily against 45,989 bbls. daily the week before, according to estimates released by the Petroleum and Gas Conservation Board.

A good portion of the jump in output came from the new Redwater field which isn't yet restricted by Conservation allowables. Ten wells there last week averaged 6,760 bbls. daily compared with 4,636 bbls. daily from 7 wells the week before. Daily average production from Leduc-Woodbend area was higher at 28,258 bbls. against 25,343 bbls. the previous week, and a number of wells was up from 194 to 198. Turner Valley daily average was 10,641 bbls. from 271 wells, down from 11,394 bbls. from 271 wells the week before. Natural gasoline daily yields estimated as follows: Turner Valley, 1,700 bbls.; Alberta's Lloydminster section, 1,126 bbls.; other fields, 1,790 bbls.

First set of locations on their full Redwater Crown Reserve section is being staked by the B. A. Oil-Hudson's Bay Oil & Gas team. The section was leased at a cost of over $2 millions cash bonus. First drilling will be in the northeast corner of section 30, upon arrival of two drilling rigs being brought in from the U. S.

In the Redwater field, wells brought into production included three by Home Oil and Anglo-Canadian, one (their first) by Western Leaseholds of Calgary and one (their second) by the Pacific - Sunray - Calvan - Princess group.

In the Stettler-Delburne area about 90 miles northeast of Calgary, the Cretaceous and Devonian are to be probed by Western Canadian Oil Co., an American Gulf Oil Corp. unit, on a separate structure 5 miles west of Piccadilly-Interleduc No. 2. Two deep tests in the general area were carried out earlier by other Gulf units, and two wells have been completed by independents on lands obtained from Gulf.

DISCOVERY YELLOWKNIFE MINES is making rapid progress in mill construction and the 100 to 125 ton daily capacity mill will start at 50 tons per day this summer, using amalgamation only with feed coming from the high-grade North zone. The plan will permit a substantial reduction in funds required to reach production.

The mill rate is expected to be stepped up to 100 tons daily after about six to eight months and the cyanide equipment will be installed, permitting milling of ore from both the North and West zones.

Last September it was estimated that $360,000 would be required to put the property into production at 50 tons daily, but directors now feel satisfied that some reduction can be made in the September estimate.

Current assets totaled $153,909 and liabilities $33,970 at Sept. 30, 1948. Since that date $85,000 have been secured through the underwriting and option agreement.

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Jet – Husky Oil Team Plans Offset Testing

Jet Oils has acquired 100,000 shares of Devon-Leduc Oils, which holds some 1,600 acres in Stony Plains area adjoining Woodbend field and about 80 acres in Leduc field, according to company progress report.

Devon-Leduc is currently drilling well on Stony Plains 3¼ miles northwest of Imperial-Woodbend No. 12. Another well, direct offset to Gas & Oil Products No. 1, is also being spudded.

In its own drilling program being carried out jointly with Husky Oil & Refining, in the Lloydminster area, company reports following results: Husky-Jet Lone Rock No. 1, better than average producer; Husky-Jet Staplehurst No. 1, average producer; Husky-Jet Furness No. 1 and Husky-Jet Streamstown No. 1, abandoned; Husky-Jet Monnery No. 1, partially plugged and capped. Latter, a deep test well 27 miles northeast of Lloydminster, was drilled to 3,214 ft., but production test was not carried out, despite heavily oil-saturated sections encountered in parts of lower cretaceous, because of expense and isolated position, the report states.

Arrangements have been made with Husky Oil & Refining to drill offset wells before completing program which calls for drilling four more wells, it is stated.

Ranrouyn Maps Drilling To Test Fault Zone

Ranrouyn Mines has laid out drilling program for its property two miles east of Waite Amulet Mines in Noranda (Que.) area, it is announced. Company holds 13 claims in block on which it has completed geomagnetic survey which indicated five anomalies and several fault zones.

Drill holes are spotted along one of these faults which has north-easterly trend across property's northern section for about 2,000 ft. Geomagnetic survey interpretation indicates east-west contact, approximately 800 ft. from north boundary, between volcanics and intrusive granodiorite, regarded as favorable area for deposition of copper-zinc sulphides, according to company.

LAPASKA MINES Feb. 15 installment on 100,000 shares at 10c a share and each subsequent installment under agreement with David Leiberman has been extended for two months.

CONSOLIDATED ASTORIA MINES has received payment for 100,000 shares at 20c, bringing issued capital to 1.5 million shares.

Yukon Consol. Profits Higher

Provisional figures for 1948 for The Yukon Consolidated Gold Corp. indicate a net loss of $21,500, after providing depreciation and amortization aggregating $249,700, company reports. However, Cost-aid receivable from the Dominion Government, estimated at $210,000, will improve the earnings picture. Net loss in 1947 was $233,627, after $246,895 depreciation and $71,579 exploration and prospect drilling expense.

During the 1948 season, approximately 7.2 million cu. yds. were dredged, from which gold production of $1,675,751 was realized from operation of seven dredges. Loss of men in mid-season, a yearly occurrence, had an adverse effect on efficiency.

Reserves at Dec. 31, 1948, consisted of 14,152,371 cu. yds. stripped reserves (13,086,205 cu. yds. at Dec. 31, 1947) which cost $1,160,899 ($1,088,910) and 7,669,656 cu. yds. thawed reserves (6,834,929 cu yds.) which cost $526,549 ($441,803).

Proved gravel reserves at the end of 1948 were 121,365,472 cu. yds. valued at $42,842,806. These figures include 3.5 million cu. yds. with average value of 10.4c to be worked by Dredge No. 3, but do not include 30.9 million cu. yds. partly proved, to be worked by Dredge No. 4.

Company expects to operate seven dredges in 1949. Decision has not yet been taken as to whether its eighth dredge should be operated.

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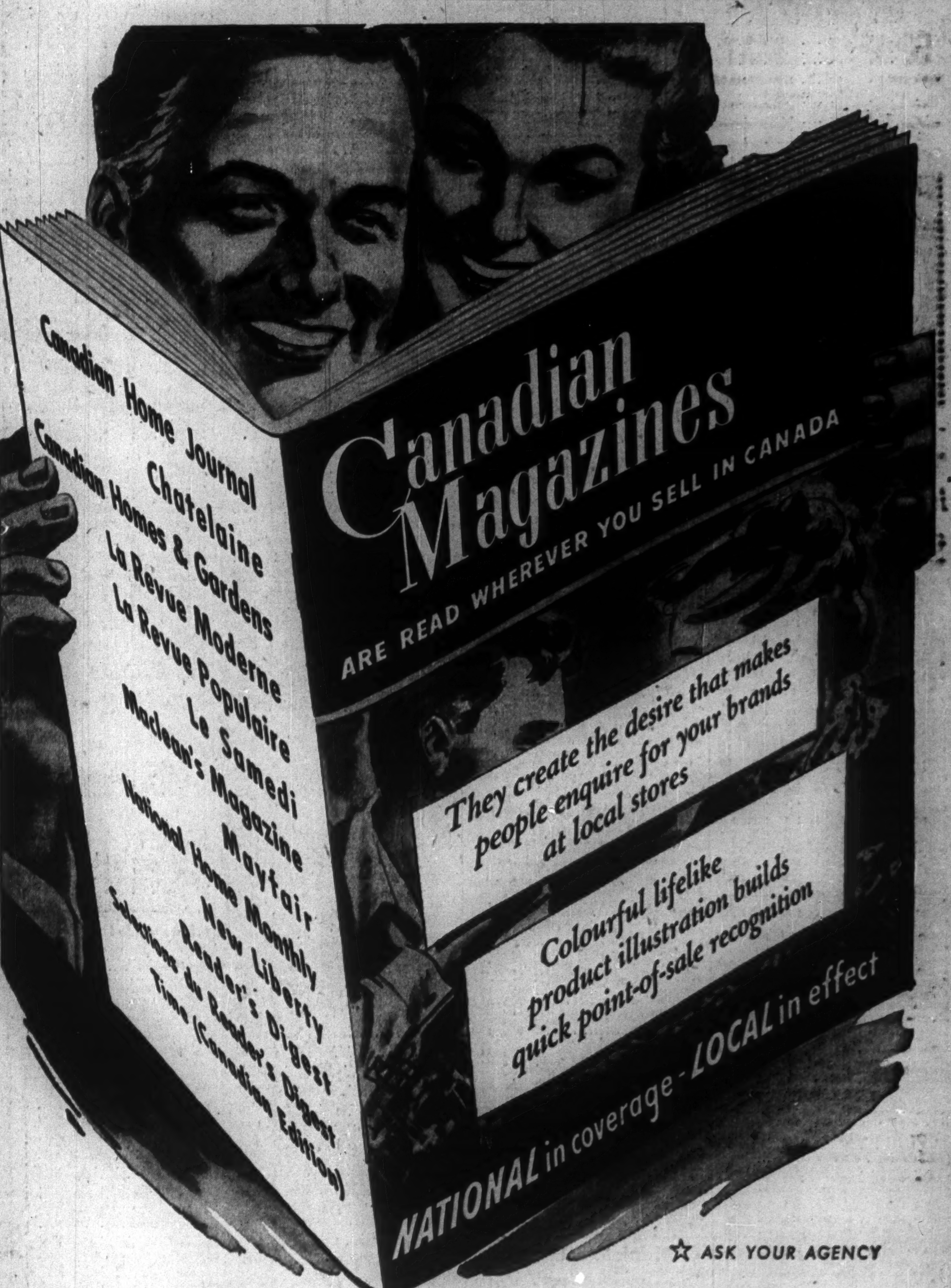
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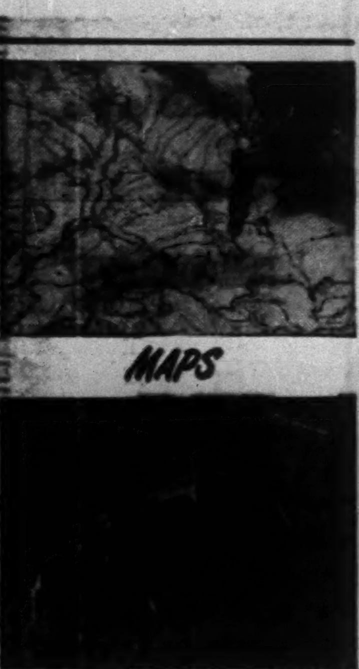

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MINING INVESTMENTS

Copper-Zinc-Lead Demand Has Slightly Slower Pace

Somewhat slower pace is being shown in demand for base metals, U. S. reports indicate. Price of scrap copper was off slightly last week; forward bookings for lead are reported behind volume of recent months; pressure from consumers in zinc market seems to be reduced from that of a couple of months back.

Although this pressure slackening doesn't alter many observers' opinion that over-all picture remains one of shortage and competition for available supplies, it has caused considerable discussion in some quarters about underlying strength of existing base metal prices.

U. K. metal men, for instance, are said to be showing some surprise over copper market action. They point to relatively insignificant effect prolonged strike at Kennecott Copper Corp.'s Utah property has had on copper situation.

Reported loss of 75,000 tons of copper, because of recently ended work stoppage there, was expected to cause serious embarrassment; yet secondary metal prices have declined and custom smelters are reported showing less interest in copper scrap.

New prices for copper scrap put into effect last week by custom smelters were down ½c a lb. to 19.50c for No. 1 copper wire scrap; 18.50c for No. 2; 17.50c for light copper.

Automobile radiators at 12.50c, refinery brass at 17.50c (latter for material analyzing 60%, or better, dry copper content), were also down ¾c a lb.

Meanwhile, U. S. manufacturers continue to report brisk demand from domestic sources for primary copper. Fair volume of export business is being done, almost entirely with ECA countries. Despite cutbacks by brass mills, supply of refined copper is still reported short of requirement, with no prospect of immediate improvement, according to trade sources.

* * *

Zinc Output Up

Canadian production of primary zinc in all forms in 1948 increased to 232,284 tons, from 207,808 in 1947, DBS statistics show. Refined zinc production totaled 189,381 tons, up from 178,264 tons in 1947. Refined zinc exports were 144,886 tons (137,228 in 1947); exports of zinc in ore were 54,227 tons (40,575).

Primary zinc output in Dec. was off—only 13,696 tons compared to 21,190 in Nov., 18,872 in Dec., 1947.

Canadian refined zinc consumption in 1948 was down from 1947, 46,567 tons against 51,072.

* * *

Copper Production

Canadian primary copper output was up 7% in 1948, 241,942 tons against 225,861 in 1947. Refined copper production hit 219,291 (202,427 in 1947), with exports, in ingot, bars and billets, totaling 116,169 (87,478).

Copper exported in ore, concentrate and matte totaled 28,555 tons (29,094). Domestic consumption was off slightly at 107,353 (109,210 in 1947).

* * *

British Hunt Minerals

Search for new mineral sources by U. K. govt. is to have ECA backing, it was announced in London and Washington last week.

ECA funds are being made available under the plan to recruit 60 geologists, chemist-assayers and topographical engineers to aid in projects now under way, including mapping of British colonial areas in Africa; prospecting for minerals there and in southeast Asia and British Guiana.

Minerals now in production or known to exist in these areas include gold, platinum, copper, lead, iron, tin, bauxite, columbite, coal, diamonds, manganese, chromite, tantalum, soda, oil, mica, tungsten, kyanite and kaolin.

Over and above sum allotted U. K. for needed commodities under ERP, ECA is assigning $1.5 millions for salaries of technical personnel. U. K. will release up to £420,000 ($1.7 millions) to cover sterling expenses involved. U. S. Geological Survey will act as ECA's agent in recruiting personnel.

Drilling Continues At Gan Copper Mine

Drilling program under way from surface on Gan Copper Mines property has returned a 223-ft. section from 241 to 464 ft. in Hole No. 24. It showed heavy chlorite alteration in the pyroclastic breccia with considerable pyrite and chalcopyrite. Assays up to 3.4% copper were obtained across narrow widths, it is reported.

While overall average copper content of this 223-ft. section would be low, total chalcopyrite would exceed that of any previous hole, according to Chamberlin Management Corp., in charge of operations. Operation are being financed by Denison Nickel Mines.

Other holes drilled include: No. 26, drilled north from same set-up as No. 24, which indicated northeasterly striking fault zone with showings of chalcopyrite; two short holes to explore the diorite-rhyolite contact: No. 29, which encountered chloritization from 245 ft. to last reported depth of 505 ft.

Where chloritization has been cut in drill holes or exposed on surface, copper or copper and zinc sulphides occur, it is stated. Present program to define favorable areas will be followed by more intensive drilling to locate ore bodies.

Sherritt-Berens River Drilling Yields Values

Diamond drilling program now under way on the Sourdough group of claims optioned by Sherritt Gordon Mines and Berens River Mines from Stanmac Ltd. has returned assays from the first hole of 4.36% copper, 0.6% zinc 0.03 oz. gold and 0.9 oz. silver over a width of 5.9 ft.

Second drill has not yet reached the ore zone, company reports. Two more drills are being put on the job. Sherritt Gordon and Berens River Mines have optioned two of the groups held by Stanmac Ltd. in the Flin Flon area.

COMPANY REPORTS

EASTERN CANADA SAVINGS & LOAN CO. Halifax, N.S., 1948 net profit was $149,065 as compared with $96,358. Company made loans amounting to $4,100,259 during year, and received repayments of $1,725,256, showing a net gain of $2,375,003. Loans secured by mortgages, agreements for sale, etc., have reached new record of $11,519,401. This volume of business should ensure good earnings for 1949, President W. H. Covert states.

On Dec. 31, 1948, company had 5,316 mortgages secured by properties (and bonds of $304,000). Company recovered amounts from assets previously written off, which with capital gains on sale of stocks and bonds totaled $154,888.

	1948	1947
Liab. to public, etc.*	$10,396,592	$8,466,552
Shareholders' equity	1,761,600	1,600,818
*Secured by:		
Mtges. & sls. agree.	11,516,689	9,139,781
Office premises	34,000	35,000
Liquid assets†	607,508	894,584
Total	12,158,197	10,069,365
†Includes bonds and stocks.		
Earned per share	a$14.91	a$11.06
Paid	6.00+1.00	6.00+1.00

aBased on average capital outstanding during year.

OTTAWA VALLEY TRUST CO. operation for 1948 resulted in net loss of $7,986, compared with loss of $16,873 for 1947. Values of estates, trusts and agency accounts under administration at year end were $5,564,835, increase of $3,292,716 over 1947.

In the last quarter of 1948 (the second full year of operations) the company showed a profit of several thousand dollars, Gen. Mgr. J. S. Shakespeare told shareholders. "Indications are that the turning point has been reached and that the current year will show a small profit unless this is offset by expenses that may properly be charged to revenue in connection with an anticipated move to larger premises," he said.

Company has been appointed to place and manage mortgages for Great West Life Assurance Co. in Ottawa, and this has already resulted in a large increase in value of mortgage loans under company's management. Company's advertising program, supplemented by shareholders' active interest, has resulted in many enquiries and new business throughout the Ottawa Valley.

	1948	1947
Liabs. to public, etc.*	$2,007	$2,010
Sh'holders equity	379,177	386,102
*Secured by:		
Mortgages	108,415	109,744
Fixed assets	2,950	3,103
Organization exp. ..	5,363	5,563
Liquid assets†	264,456	269,702
Total	381,184	388,112
†Includes bonds, stocks and cash.		
Estates account	5,564,834	2,272,118
Net loss	7,986	16,873
Earned per share▲ ...	d$1.90	d$4.02

▲Based on paid-up capital.

Kirkland Lake Opens New Ore

Over 483 ft. of new ore grading $14.20 per ton across an average width of 3 ft. have been opened up since the first of the year, G. C. Dunn, general superintendent, told Kirkland Lake Gold Mining Co. shareholders at the annual meeting.

A new vein was encountered in the hanging wall at the 2,350-ft. level at the end of 1948, and although some rich ore has already been taken from it, sufficient work has not yet been done to determine whether it will be of major importance, according to President J. B. Tyrrell.

Referring to construction work now under way at the mine, Dr Tyrrell stated that completion of the project will mean that ore can be raised more cheaply and in larger quantities, so that there will be no difficulty in again operating the mill at its full capacity of 400 tons a day. The new ore bodies "being opened up in the mine as fast as the miners can get to them" show abundant indication of being capable of keeping the mill in full operation, he said, adding that "I think, though I am not perfectly sure, that your mine now has more available ore in sight than at any time in its history."

Construction program, now nearing completion, included installation of a new and larger hoist at the top of No. 1 winze with combination 3-ton skips and cages in the winze, and the cutting of a large ore pocket in the rock over the new crusher. The project slowed down mining and milling operations last year because the excavation work involved took some of the most experienced miners away from breaking ore. The new hoist is to be delivered this week.

Production from the mine in 1948 totaled $1,378,354 from 93,880 tons milled for an average recovery of $14.68 per ton, compared with $1,613,857 from 91,172 tons milled and average recovery of $17.70 per ton. Proven ore reserves at the end of 1948 were 324,654 tons averaging $15.65 per ton, compared with 331,540 tons, averaging $16.32 per ton at Dec. 31, 1947.

S. African Premium Gold Sale Show Dominion Need of Funds?

OTTAWA (Staff)—It is still not clear what will be the ultimate consequences of the premium gold sale dispute between the International Monetary Fund and the South African Government.

The IMF has officially rapped the South African Government over the knuckles over the 100,000 ounce contract. That government has been warned that there must be no more such sales. IMF states that if South Africa fails to abide by this decree, it will be ousted from the fund. But there are both legal and practical limitations as to how far the IMF can go in punishing or interfering with this particular transaction.

It is felt here that the chief sufferer at the moment is the South African minister of finance, Nicholas Havenga. The transaction which he and his government authorized has been challenged as improper in that the gold was being sold in the form of wire, sheets, strips which could easily be melted down into bars for sale in European and other black markets at prices up to $90 an ounce. The official explanation was that all this premium gold was only for the jewelry trades. There is no evidence yet that the IMF has lost prestige over the transaction.

The transaction is used here to point up the very dire financial straits in which this highly important market for Canadian goods now finds itself.

It is thought almost inevitable that South Africa will have to call in its three-year £80-million gold loan. The Loan was made to the U. K. early in 1948 and has almost two more years to run.

If South Africa is forced to recall the loan, it can only be called on sterling funds which will presumably be spendable only within the sterling area. In short, by calling the loan in advance, South Africa loses its gold and will be required to take the proceeds in sterling area goods.

It is also noted that South Africa is now going to have to put restrictions on imports from the sterling area, just as it recently placed embargoes on imports from dollar areas.

MINING CONCENTRATES

BRAE-BREEST GOLD MINES advises Reginald Lugsdin has optioned 800,000 shares at 5-15c. Authorized capital 3 million $1 par shares; issued, 2,149,205; escrowed 260,000; filed Feb. 17.

* * *

CONTINENTAL LEAD MINES (formerly Pustikama Gold Mines) advises that Noront Securities Ltd. agreed to purchase 100,000 shares for $5,000 and optioned 900,000 shares at 5-15c. Authorized capital 3 million shares $1 par; issued, 1,000,005; escrowed, 900,000; filed Feb. 16.

* * *

KINGDON MINING CO. is centring operations on the direct east and west extensions of the main vein where past mining operations yielded 905,000 tons of ore from which was recovered 59,920,699 lb. lead valued at $4,334,372. Hole No. 7, approximately 1,850 ft. northwest of the shaft, at last report was being reamed at 150 ft. Hole 12 on the eastern extension was spotted 800 ft. southeast of the shaft and cut a 19-ft. section of calcite vein material showing zinc mineralization at depth of 300 ft. Hole 13 is now drilling 100 ft. back of No. 12 to cut same vein at 600-ft. horizon. Property is 42 miles west of Ottawa.

* * *

REDWATER PETROLEUM reports coring is being continued at Redwater No. 1, although breakdown in drilling rig delayed operations. Promising conditions with good porosity were encountered at 4,061 ft. in the fragmental limestone of the Devonian. If results of coring are favorable, a heavier rig will be installed to continue drilling and testing at greater depth, it is stated Negotiations are under way for 50% interest in lease of over 10,000 acres in Lindbrook-Tofield area.

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Nickel-Copper Values In Drilling at Trebor

Diamond drill hole S-4 of Trebor Mines has cut 147 ft. averaging 1.05% combined nickel-copper, according to G. H. Dumont, resident engineer. Eliminating four basic dykes which were intersected, average was 1.22% combined metals over 126½ ft., or 1.51% over 90½ ft. when contact margin also is discarded.

Hole S-5, 50 ft. west of S-4, has cut 66 ft. averaging 1.04% nickel-copper. Hole S-6, 50 ft. farther west still, intersected 25 ft. of mineralized periodotite averaging 1.05% combined metals. All three holes were put down vertically in shaft area on grid pattern on 150 North line.

Section 150 North has 49,000 tons of ore with grade of 1.04% combined metals at mean depth of 40 ft. which can be easily mined by open-cut methods, company states, adding that Section 100 North, not yet fully explored, is much wider on surface, goes deeper and with grade apparently higher.

Alberta Govt. Appoints Inspector For Cont. Oil

Arthur Maw of Price, Waterhouse & Co., Calgary, has been appointed inspector to investigate the affairs of the Continental Oil Co. of Canada Ltd.

The appointment was made by the provincial attorney-general's department at the request of shareholders to investigate the company's financial dealings with two firms, one in the United States and the other in Eastern Canada. Costs and expenses incidental to the investigation will be payable by the company.

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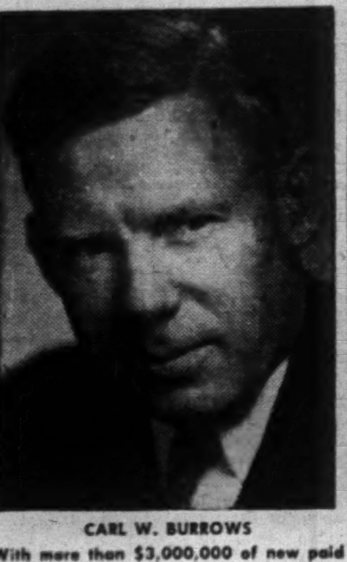

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LONDON CALLING—*By Adelphi*

Retailers Squeezed By Govt. 'Shell Game'; Tories Glum Over Labor By-Election Wins

LONDON — The scene presents a confused picture at the moment. To begin with no one understands what has happened to the British climate. After five weeks of June warmth the temperature dropped sharply and we felt we were going to be made to pay for the unseasonal sunshine. But after a cold week the weather relented and has even surpassed its earlier achievements.

The last few days have been more like July than June. The sun shines from a sky of Mediterranean blue and it is mere force of habit if one wears an overcoat. People sit on benches in the parks, dozing bare headed in the sun and acquiring a spurious tan. It is all very nice but, like everything else, it has some unpleasant repercussions.

A prominent furrier tells me he has not sold a single fur coat for six weeks. Scarves and gloves remain unasked for on the shelves. Cough medicines and lozenges which normally do a roaring trade at this time of year stand huddled and neglected on the chemist's counter.

Nor does the list end there. Consumption of whisky has dropped by 30%. Since the Englishman has always preferred to take his central heating internally he is saving on his favorite fuel. Farmers, being farmers, are naturally pessimistic and predict sharp frosts in May.

• • •

Film Industry In Dollar Doldrums

Perhaps the weather has also played its part in the crisis that has come upon the film industry. Studios are closing down and nearly 1,000 technicians have been declared redundant. A crowd of them marched to the House of Commons and lobbied M.P.'s as they came from the chamber.

This is a curious as well as lamentable crisis. Cinema attendances last year were big enough to contribute £40 millions to the Treasury in entertainment tax. Hollywood films have been patchy and, therefore, have left plenty of room on our screens for British pictures. Yet losses on production have been disturbingly heavy.

One reason, of course, is that it's still true that fools make pictures for other men to make money. The exhibitor takes no risk but merely maintains his theatre. The distributor charges from 20 to 30% on the revenue of a picture which he circulates and promotes. If the producer has made a winner he will just about get back his costs. Anything less than a winner puts him in the red.

There has been both courage and extravagance in Britain's attempt to make super-films to challenge the best from America. "Hamlet," with Sir Laurence Olivier as the star, cost nearly £500,000. J. Arthur Rank will probably recover £150,000 in the home market. In the U. S. the film will have long runs at isolated highbrow cinemas, and U. S. film critics will acclaim it as a masterpiece. But the big circuits won't book it.

• • •

Sir Alexander Korda's "Bonnie Prince Charlie" cost £650,000 which is more than the cost of the whole Jacobite Rebellion. If he gets away with a loss of 50% he will be fortunate. Such films as these, and "Henry V" and "Caesar and Cleopatra," earn lots of tributes but few dollars. Whether it is logical or not the cinema audience, being a mass medium, is of lower intelligence than the selective theatre audience.

The Government, with its passion for investing in losing propositions, is putting up £5 millions to help independent producers. That will be about as effective as whistling at a gale. Mr. Rank is dealing with it in a more realistic manner. The fantastic salaries of the stars are being mercilessly cut, a new system of prefabricated sets is being perfected, and distributors will be asked to take a smaller percentage so that the producer can live.

Therefore the British film industry will survive. The Government will not let an industry go bust as long as it contributes £40 millions to the Treasury.

• • •

Socialist Govt. Out-Spivs Spivs

Retail trade generally is bad for a simple yet psychological reason. Everyone expects the budget in April will be a jolly one. In other words the austere Sir Stafford Cripps will have his eye on the coming general election. It is believed that there will be a slashing of purchase tax as well as a lowering of the standard rate of income tax — though not of surtax.

The purchase tax has been particularly unfair to the shopkeeper. Since it is impossible to libel a government I have no hesitation in saying that in application it is downright dishonest. Supposing a dealer orders 100 wireless sets from a manufacturer. He must pay the purchase tax of 33/1-3% or 66/2-3% to the manufacturer, who remits it to the Treasury. In order to pay the tax to the manufacturer the dealer must borrow the money and pay interest on it. When he sells a set the retail price includes the purchase tax.

But supposing the public will not pay the price? Then the sets remain in the shop while the dealer continues to pay interest to the bank. Eventually, the Chancellor takes mercy and does away with tax. At once the purchasing public demands that it buys the set at the net price less the purchase tax. The dealer is helpless and must take the loss. Thus he has borrowed money to pay a tax to the Treasury on a sale that he never made.

No wonder that the popular music hall joke of the moment is: "A spiv is a bloke who does business in ways that even the Government never thought of." But I am not sure that the joke isn't outdated now.

• • •

However, the Government retained yet another seat this week in a by-election. The Tory vote as usual was increased but the solid Socialist vote is very strong. This week the polling in the South Hammersmith by-election took place. The Socialists have held that as well, and the Tories have been plunged in gloom.

Churchill made an eve-of-the-poll tour and he got a great reception. But cheers do not count as votes no matter how loud they are.

This week's Recorder splashes the leading article "Must we write off our British trade?" which appeared in a recent edition of The Financial Post. Marked copies were sent to Attlee, Cripps and Wilson.

• • •

Now I shall sit in the sun and meditate upon a world which can be so pleasant and at the same time cause so much trouble to itself.

PETER M. DOWNES

has been appointed vice-president in charge of Vancouver Operations for Cockfield, Brown & Co.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

DUNLOP TIRE & RUBBER GOODS CO. 1948 net profit was off 37%. Although the year witnessed the return of competitive selling conditions in the rubber industry, sales were up 7% and represented a record volume. Increase is attributable in no small measure to new production facilities installed during the postwar period, it was said.

Higher level of wages, materials and other costs without compensating higher selling prices served to reduce profit margins on the sales of most products, it is stated. Although production methods were further improved during the year, the resulting economies were insufficient to offset the continuing pressure of rising costs.

Capital expenditures for plant, buildings and equipment amounted to $654,000 and included purchase of the warehouse at 496 Queen St. E., Toronto, under lease since 1941. These facts, together with a larger investment in accounts receivable, contributed to the depletion in the company's cash resources and created the need for obtaining bank loans for the first time since 1941.

Canadian Lastex Ltd., in which the company hold a 50% interest, experienced another year of satisfactory operations despite a sharp curtailment of export sales. Itarco Ltd., a wholly owned subsidiary, was incorporated during the year for the purpose of producing and selling in Canada, certain products of India Tyre & Rubber Co., Inchinnan, Scotland, under agreement with that company.

The traditional pattern of sales in the tire and automotive products division was somewhat reversed in 1948 and peak demand usually expected in the spring and summer months did not occur until fall. Unfounded rumors of Government restrictions and controls on the distribution of tires brought about a sudden and unseasonal demand, with the result that tire inventories fell and production had to be stepped up to restore the position. The industrial rubber products division enjoyed another year of unprecedented volume and only during the latter months could production satisfy demand.

Further increases in building costs and the effects of the restriction on the importation on goods from the United States, influenced management to postpone plans for a major plant expansion at Whitby, Ont.

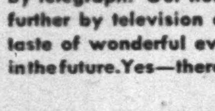
During the year the company's liability for income and excess profits taxes for the period 1942 to 1946 inclusive was agreed with the Department of National Revenue and the tax provision in excess of requirements totaling $106,000 was transferred to surplus. The adjustment in respect of excess profits taxes resulted in a reduction of $37,000 in the refundable portion of taxes.

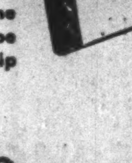
INCOME ACCOUNT

Years Ended Dec. 31:	1948	1947
Net earnings	$770,711	$1,002,845
Less, Depreciation	372,181	307,348
Prov. for taxes	154,000	307,000
Net profit	244,530	388,497
Less: Pref. divds.	41,184	41,184
Common divds.	70,960	70,960
Surplus for year	132,386	276,353
Earnings per Share and Dividend Record:		
5% preferred	$7.42	$11.79
Paid	1.25	1.25
Common	3.58	6.12
Paid	1.25	1.25

CONDENSED BALANCE SHEET

As at Dec. 31:	1948	1947
Cash & govt. secs.	$241,333	$282,389
Accts. rec.	1,396,783	1,065,882
Inventories	4,150,239	3,237,972
Total curr. assets	5,788,355	4,586,243
Misc. assets a	173,089	252,600
Can. Lastex Ltd.	75,000	37,500
Itarco Ltd.	800	......
Fixed assets	6,305,543	5,736,155
Goodwill, etc.	941,205	941,205
Total assets	13,283,992	11,553,703
Bank loans	1,400,000	......
Accts., taxes pay.	977,350	1,245,162
Total curr. lib.	2,377,350	1,245,162
Deferred liabs.	66,591	61,674
Depreciation res.	3,907,933	3,591,065
Conting. res.	275,000	275,000
Capital stock	4,797,435	4,797,435
Surplus a	1,859,683	1,583,367
a Incl. ref. EPT	120,547	211,000
Working capital	3,411,005	3,341,081





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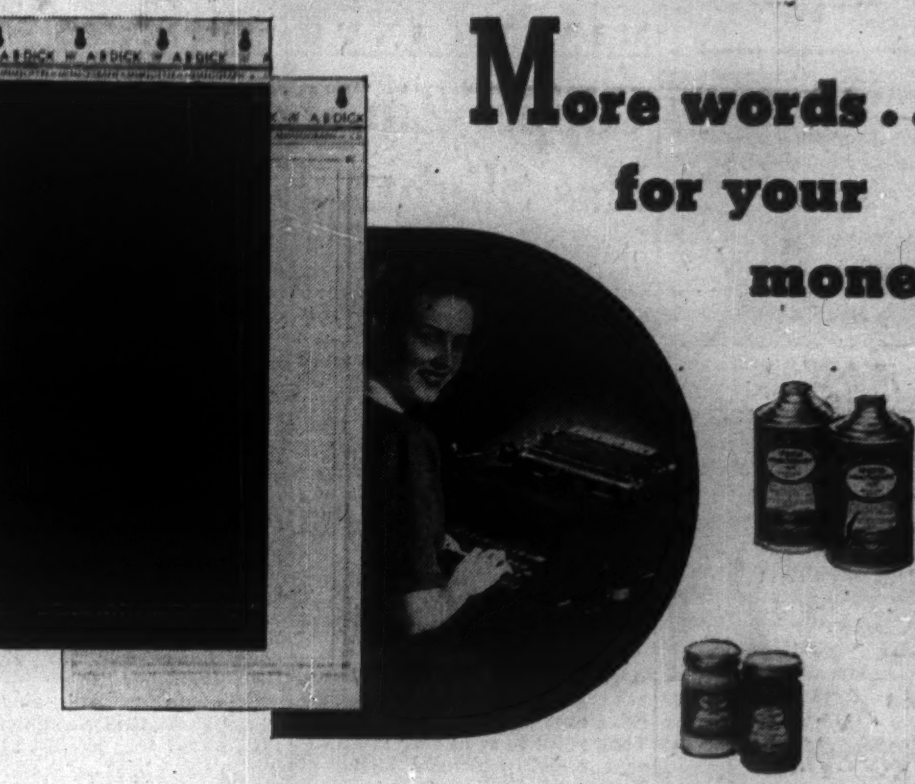

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Fashion Editor
JACQUELINE ROY
Technician, Chatelaine Institute
Standing, left to right:
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